



AGENDA

*GILA COUNTY PLANNING AND ZONING COMMISSION
Gila County Supervisors Conference Room
610 E. State Hwy 260, Payson, AZ*

*10:00 AM
January 18, 2018*

REGULAR MEETING

1. Call to Order
2. Pledge of Allegiance
3. Roll Call: Mickie Nye-Chairman, Bill Marshall, Mary Lou Myers, Randy Slapnicka, Travis Holder, Terry Otts, Lori Brown
4. Review and Approval of Minutes of the Planning & Zoning Commission Hearing on November 16, 2017.

5. **Director/Planner Communication:**

At any time during this meeting of the Planning and Zoning Commission the Director and/or Planner of Community Development may present a brief summary of current events. No action may be taken.

Public Hearing:

6. **CPA-17-02 Gila County:** An application to amend the Gila County Comprehensive Plan by amending the narrative portion of the Plan for Pine and Strawberry, Arizona. The proposed amendment will provide updated data on the Pine-Strawberry area and provide guidance to the Planning & Zoning Commission and the Board of Supervisors in making zoning decisions to manage growth. There will be no changes to the designated planning districts identified in the 2003 Gila County Comprehensive Plan.
7. **S-17-01 Elk Rim Subdivision:** An application to subdivide two parcels into 18 lots and also looking for a recommendation to the Board of Supervisors. This property is located in Pine, AZ at lots 1 and 2, Portal Pine Creek Canyon IV, tract "B", with APN numbers of 301-69-196 and 301-69-197. The current zoning for both these parcels is TR (Transitional Residential).
8. Adjournment



**MINUTES OF THE GILA COUNTY
PLANNING AND ZONING COMMISSION**

Thursday, November 16, 2017

GILA COUNTY BOARD OF SUPERVISORS CONFERENCE ROOM

610 E. State Hwy 260, Payson, AZ

10:00 AM

REGULAR MEETING

1. The meeting was called to order at 10:06 A.M. by Chairman Mickie Nye.
2. Pledge of Allegiance was led by Randy Slapnicka.
3. Roll Call: Therese Berumen called the roll; Chairman Mickie Nye (in Payson), Mary Lou Myers (in Payson), Travis Holder (in Globe), Terry Otts (in Globe), and Bill Marshall (in Globe), Randy Slapnicka (in Payson). Lori Brown is absent. A quorum is present.

Community Development Staff Members Present: Scott Buzan-Director, Robert Gould-Planner and Therese Berumen-Administrative Assistant.

4. Election of Officers (Chairman and Vice-Chairman). Randy Slapnicka motioned that Mickie Nye remain Chairman and Mary Lou Myers seconded the motion. It was unanimously approved. Mary Lou Myers motioned that Travis Holder be nominated for Vice-Chairman and Bill Marshall seconded the motion. It was unanimously approved. This will become effective January 1, 2018.
5. 2018 Meeting Calendar. Bill Marshall motioned to approve the 2018 Meeting Calendar as submitted. Travis Holder seconded the motion. It was unanimously approved.
6. Review and Approval of Minutes of the Planning and Zoning Commission Hearing on September 21, 2017. Mickie Nye asked if there were any changes needed. Mary Lou Myers motioned that the minutes be approved as recorded and Terry Otts seconded the motion. It was unanimously approved.
7. **Director/Planner Communication:** At any time during this meeting of the Planning and Zoning Commission, the Director and/or Planner of Community Development may present a brief summary of current events. No action may be taken.

Robert Gould stated that the only thing he wanted to discuss was proposed future amendments to the Gila County Zoning Ordinance, which is not up for a decision, at this time. I just wanted to run through some of the amendments and get some feedback from the Commission before we bring this back before you, as a public hearing. Such changes as amending the appeal timelines from calendar days to working days, adding

language for on-site signs, adding language for times of construction activity, adding an item to Section 104 (B), concerning fences, and adding signage restrictions to the General Unclassified (GU) zoning district.

Scott Buzan stated that he had a few things concerning personnel. The building official that was hired back in September has been let go and for the time being, I am filling that vacancy, until we can get that position filled again. Also, we hired a new permit technician in our Payson office. Mickie Nye asked what the status was on the appeals process, which was looking to hire a hearing officer, from outside the county, as an independent contractor. Scott Buzan stated that we are working with the Deputy County Attorney concerning this, to get the legal aspect taken care of, so it is still in the system.

The Commission stated that they thought a better internal way for following up on the applications that are heard and making sure the applicants are continuing to abide by what the county has set forth would be beneficial. Also, discussing the budget for Community Development staffing to educate the Commission, wouldn't be a bad idea. What it is today verses what it was a year or even five years ago.

Information/Discussion:

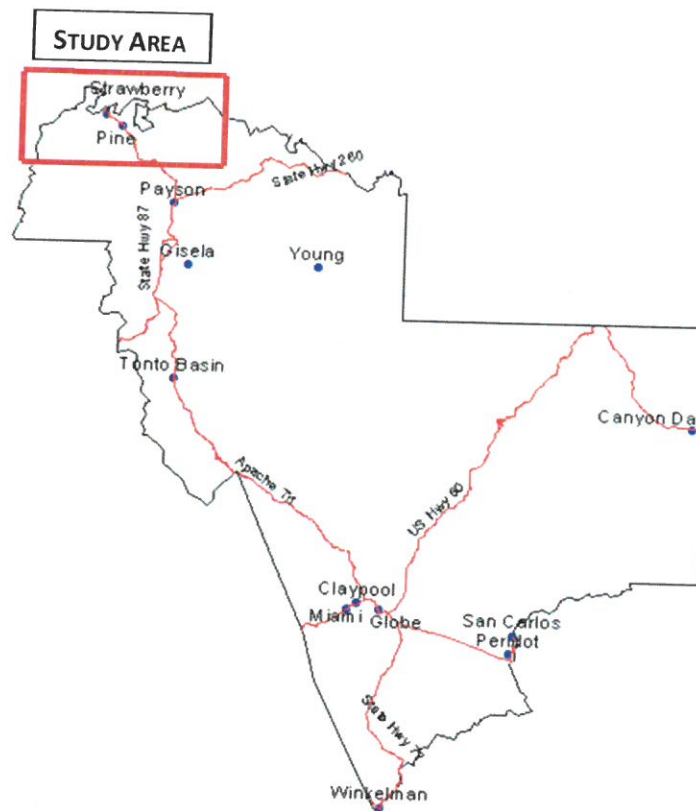
8. **Amendments to Small Subdivision Regulations:** Robert Gould stated that we developed these regulations several years ago. At the time we created the regulations, the statute that authorized them was under ARS 11-806. Since that time, they have deleted ARS 11-806 and replaced it with ARS 11-822. We thought, to be in better compliance with the Arizona Revised Statute, we needed to take a look at our small subdivision regulations, which is located in Article II, section 1100.00 of our subdivision regulations. Such changes as amending the title, to more clearly align the proposal with the Arizona Revised Statute, a three-part process was added, to clearly show the overall intent, allowing applicants to construct their subdivision in phases, with no more than 20 lots, the review process for the Planning and Zoning Commission and the Board of Supervisors is defined, more flexibility was provided for the design of private streets, and the section on "Green Building Incentive" was eliminated.
9. **RV Parks and Subdivisions:** Robert Gould stated that a commission member brought this to his attention. So, per his request, we have gathered some information. Please keep in mind, that we do have an overlay district, called the "T" district, which allows RV parks, but doesn't allow RV subdivisions. My concern is about applying those particular regulations to a subdivision. Included in the agenda packet is a copy of Mesa's Zoning Ordinance for manufactured home/recreational vehicle regulations. I thought they were very conclusive in how they dealt with it, but thought in a few areas, they got more involved in the building code than they needed to. We would move more towards zoning issues, rather than building codes. Anything that would increase the tax base for the county, is always something to consider. Randy Slapnicka stated that there should be a way to come up with a plan to allow citizens of the county to have ownership and also

create more revenue. Robert Gould stated that park models and tiny houses would be considered RV's. Scott Buzan stated that if designed right, it would be very valuable. Mickie Nye stated that he would support adding an RV park and subdivision ordinance. Robert Gould suggested that the Commission look over what Mesa has for their ordinance and put together their suggestions so we can bring this back for further review at another meeting.

10. **Adjournment.** Randy Slapnicka made a motion to adjourn the meeting and Mary Lou Myers seconded the motion. The Motion to adjourn was unanimously approved at 10:58 A.M.



STAFF REPORT TO THE PLANNING & ZONING COMMISSION



PLANNING AND ZONING HEARING
JANUARY 18, 2018
610 E. HWY 260, PAYSON, ARIZONA

This item has been referred back to the Commission due to Yavapai County, AZ Commerce Authority, the Town of Hayden and the Town of Star Valley not having the opportunity to provide comment. No comments have been received from any location. Staff recommendation remains the same.

A citizen group from Pine-Strawberry is requesting that the Gila County Comprehensive Plan (narrative section only) be updated to better reflect the current vision of the citizens planning group of the area. This update will not affect the land use districts as currently shown for the area.

An important part of the process to amend the narrative portion of the Comprehensive Plan is interaction with local residents. A community survey and open public meetings were held to obtain input. The responses to the survey give a clear picture of the desires of local citizens.

A significant aspect of a planning document, is that it is only a plan. It is not a regulatory tool and does not automatically place regulations onto future development. It is an attempt to define a future vision of what citizens want Pine-Strawberry to look like.

If the plan is adopted, we must develop an implementation program which consists of capital improvements and regulatory changes that ensure that the vision of this plan becomes a reality. Any change in regulations will be through public participation and hearing processes which allow citizens the opportunity to voice their support or concern for the proposed action.

State law requires update the Comprehensive Plan every ten years. The State requires that we either readopt the plan as it currently exists or modify the plan to suit our vision of future development.

The comment has been made that; ***"Most of these requirements are so vague that the meaning can be defined to be whatever the Community Plan authors want them to mean."*** It is not unusual for a plan to be somewhat vague. A plan is not a regulation. It is a future vision of what is desired. To actually achieve that and ensure implementation, we need to revise our current regulations that require public participation process in order to add new regulations as an outgrowth of this plan. Many plans that are adopted create no changes due to the lack of public participation to achieve the desired outcome.

The Community Issues have been consolidated into one section rather than the two separate sections.

Community Issues:

Our current Comprehensive Plan identifies 6 (six) issues which should be addressed:

1. Water Supply, Storage and Delivery System
2. Septic Tank Contamination Issues
3. Adequacy of Roadways/Right of Ways
4. Adequacy of Emergency Services
5. Fire Danger
6. Limited Private Land Base

Page 5 (five) for the current proposed amendments, lists 11 community issues for Pine-Strawberry:

1. Preserve the Natural Environment
2. Clean Air Quality

3. Sustainable Building Practices
4. Protect and Preserve Water Resources
5. Waste Management and Septic Systems
6. Preserve Character of the Community
7. Preserve Local History
8. Dark Skies
9. Natural Quiet
10. Economic Development
11. Transportation

Several new issues have been added:

1. Dark Skies
2. Preservation of Natural Environment
3. Clean Air
4. Sustainable Building
5. Community Character
6. Historic Preservation
7. Natural Quiet
8. Economic Development

Five of the six issues identified in the current Comprehensive Plan are no longer identified in the list on Page 5 of the new proposed amendments. Are the issues on page 5 in addition to the current six issues identified in the 2003 Gila County Comprehensive Plan? If so, that must be stated up front in order to allow us to reprint our Comprehensive Plan correctly.

Air Quality was not identified as an issue in 2003. What makes this an issue now? We need an example of a ***“high quality air pollution buffering treatment”*** which the proposed plan refers too.

Another public comment was that this plan will, ***“remove the planning function from Gila County, and place it in the hands of an unsupervised group with an agenda of no-growth”***. This comment is inaccurate. The planning group was told on numerous occasions that in order for the residents of the Pine-Strawberry area to control the implementation, they would need to incorporate and have their own unit of government. They reported that this would not happen. Therefore, the control and implementation of this plan will remain with Gila County.

Possible Implementation Programs:

1. Design Review

The plan calls for a Design Review Program to guide future development. This could be the same as the program we currently have for the Globe/Miami area or it could be a separate standalone program.

2. Water Conservation

The plan suggests that the County adopt programs that will conserve water. The plan includes suggestions such as, low flow plumbing, landscaping and use of non-potable water etc.

3. Drainage Plan

The plan suggests that we utilize a Drainage Plan for all new development. This could also be a water conservation issue if we include re-use of rain water and water retention.

4. View Corridors Protection

The plan calls for placing restriction on future development to ensure that current views would not be lost. We would first need to identify the views and then determine a way to regulate development in a manner to preserve those views.

5. Underground Utilities

In this case we would have to revise regulations requiring development to place utilities underground. We currently have this in our subdivision regulations. I am not sure we will be successful in doing this, but we can try.

6. Landscaping

This seems to fall in line with water conservation due to an emphasis of keeping the current vegetation in place. This could include a tree ordinance such as they have in the Town of Payson and requiring a clearing and grubbing permit prior to any development or land clearing activities. It would also be a means to preserve threatened species. The Commission has had some discussion on this in the past, but has declined to develop regulation for this.

7. Shared Parking

I feel it is more practical to require shared access ways, but it may be much more difficult to require a land owner to allow a neighbor to use his land for parking.

8. Noise Ordinance

Noise ordinances are very popular for airport vicinities and would include additional building requirements to mitigate loud noises. At the current time, we have very little to control noise. If someone makes a loud noise that disrupts their neighbors we deal with this as a nuisance issue.

9. Pedestrian and Bicycle Friendly

This would require a study to determine where we would want facilities for walking and biking and how to afford placement of those facilities. There are significant options to make this more affordable.

10. Trail Building

I don't know where these trails are that need to be improved, but once they are identified we can look at the options to improve them.

11. Right of Way Issues

It appears these right of way issues are located on roads such as Hardscrabble. We would need to identify these current right of ways and compare to other acceptable standards to determine needs.

Staff Recommendation to the Planning & Zoning Commission

Staff recommends approval of the amendment to the 2003 Gila County Comprehensive Plan, for the Pine and Strawberry narrative sections only.

Pine-Strawberry Community Plan

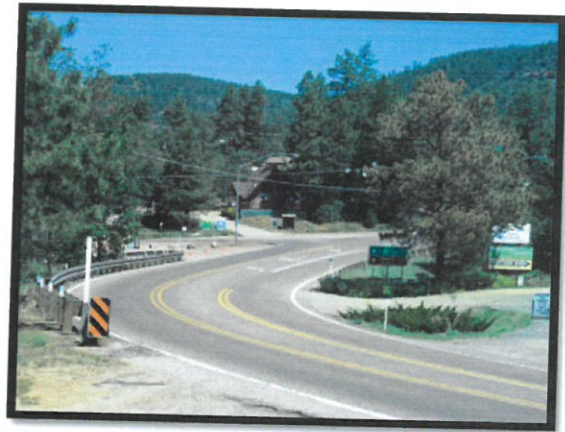
Vision Statement

Our residents have said they desire to live in harmony with the rim country environment, natural beauty and historic charm of the Pine-Strawberry community.

General Community Overview

Pine and Strawberry have historically shared a variety of community services; Pine-Strawberry Water Improvement District, Pine-Strawberry Fire Department, Pine-Strawberry elementary school, Pine-Strawberry US Post Office, Pine-Strawberry Community Center, Gila County Library, Pine-Strawberry Fuel Reduction Committee, and in 2014 the citizen lead Pine-Strawberry Future Visioning project was initiated.

Pine is located approximately 2.0 miles southeast of Strawberry along SR 87 in northern Gila County. Pine is located in a significantly forested area at the base of the Mogollon Rim and is at an elevation of 5,448 feet. The median resident age in Pine is 59.2. The 2010 population of Pine was 1963 and there are approximately 2588 total housing units. Approximately 53.9% of the housing units are classified as seasonal (occasional use) by the US Census Bureau. The overall existing residential density in Pine is slightly less than one dwelling per acre.



Strawberry is located in northern Gila County at the base of the Mogollon Rim and adjacent to State Route (SR) 87. The community is located at the elevation of 6047 feet within a significantly forested region. According to the 2010 census, the population is 961 with 1293 total housing units located in the Strawberry census area. The median age of the residents is 60.5. Approximately 54% of the housing units in Strawberry are seasonal (occasional use) units. The average existing residential density is less than one dwelling unit per acre.

In 2014 and 2015 a series of community surveys, public town hall meetings and public forums were conducted to determine a future vision for Pine-Strawberry. The reliability and relevancy of this study is demonstrated by a significant 22% participation rate among full and part time residents, and demographic results which aligned with the latest U.S. census data. This is the only statistically significant source of data/information revealing the opinions and desires of the community's population. These results are reflected in the changes to the Pine-Strawberry section of the Gila County Comprehensive Plan.

Survey respondents identified the natural beauty of the area, friendly small town atmosphere and local charm as the primary reasons they live in the area. They also recognized a need for the community to develop, but that development should be consistent with our existing character and charm, while protecting our natural resources. In addition, 87% stated that tourism is important to the development and sustainability of the community. It was clearly communicated that any future development should be focused around Pine-Strawberry being a tourism hub based on the exploration and enjoyment of an unspoiled wilderness.



Residents rated the most important elements in evaluating any new non-residential development as:

- ☐ Efficient use of Water
- ☐ Clean Air
- ☐ Noise Pollution
- ☐ Light Pollution
- ☐ Visual Fit
- ☐ Wastewater/Sewage
- ☐ Traffic Flow
- ☐ Historic Preservation

The types of development supported by the community included:

- ☐ Independent/cottage industry stores
- ☐ Outdoor rental, services and education
- ☐ Lodging and Bed and Breakfasts
- ☐ Medical Services
- ☐ Public parking, restrooms

And the types of development strongly opposed by the community included:

- ☐ Brand name retail chains
- ☐ Fast food chains
- ☐ Multi-family housing/apartments

In addition, during the public forums and open comments, residents expressed great concern not only for traffic flow but for a walkable community, trails and the ability to manage public events such as craft fairs and other community activities.

Existing Development and Zoning Conditions:

Pine

The development pattern in Pine has the most intense land uses located adjacent to SR 87. SR 87 runs through the center of the community generally at a north-south orientation. Numerous local streets often function as collector streets, such as Hardscrabble Mesa Road, Pine Creek Canyon Road and Whispering Pines Road. These streets provide access to the developed areas east and west of SR 87.

The primary non-residential land uses are located adjacent to or slightly removed from SR 87 and are grouped in the center of the community. Pine contains a number of local artisan shops, studios, antique stores, churches, realty offices, restaurants and bars and a grocery store adjacent to SR 87. Other non-residential land uses in Pine include convenience store, vehicle repair facilities, gas stations, medical clinic, county roadway maintenance facility, elementary school, fire and emergency response station, community center, a county library, Post Office and a number of small bed-and-breakfast and lodging facilities.

Residential development in Pine is a mixture of existing platted subdivisions. Residential uses include a mixture of site-built, mobile and modular homes and a small number of multi-family projects and RV parks. Pine has a number of platted subdivisions that have paved roadways, community water services and wastewater disposal facilities. The subdivisions in the community have lots ranging from 1/4 acre to 2 acres in size. Residential development can be characterized as more traditional rural-residential in nature with a mixture of residential structures on lots that are 1/4 acre and larger. Pine is a moderate density, mixed use, developed rural community with a number of non-residential land uses that serve residents and visitors.

Existing zoning is dominated by the R-1 residential zoning district with a mixture of density districts that range from D-12 (the most prevalent density district) to a mixture of D-25 and D-40 districts. The D-12, D-25 and D-40 zoning districts permit residential development at densities ranging from 1.0 to 3.0 dwelling units per acre. Most of the properties located adjacent to SR 87 are zoned commercial and Transitional Residential.

The Pine-Strawberry Water Improvement District (PSWID) provides potable water to most of the residents of Pine. Others are served by private wells, or other service providers. Residential development in the Pine community typically utilizes individual waste disposal systems.

Strawberry:

The Strawberry development pattern is based on the existing roadway system. SR 87 and Fossil Creek Road is the major transportation corridor in the community. SR 87 runs in a north-south direction through the eastern portion of the community and Fossil

Creek Road runs through the center of the community in an east-west direction. The primary commercial and employment uses are located immediately adjacent to SR 87.

Non-residential uses in the community consist of convenience store, restaurants, bars, local artisan and craft shops, lodging facilities, and a church. Public services consist of a fire station and a small number of cultural/historical buildings. Residential uses in the community generally consist of single-family detached dwelling units on lots that are 1/3 to 2 acres in size.

The existing zoning pattern in Strawberry is dominated by the R-1 residential zoning district with a mixture of density districts ranging from D-12 (the most prevalent density district) to D-40. The D-12, D-25 and D-40 density districts permit residential development at densities ranging from 1.0 to 3.0 dwelling units per acre. The properties located adjacent to SR 87 are zoned primarily commercial. Properties zoned Transitional Residential and Commercial are located adjacent to Fossil Creek Road and SR87.

The Pine-Strawberry Water Improvement District (PSWID) provides potable water to most of the residents of Strawberry. Others are served by private wells, or other service providers. Residential development in the Strawberry community typically utilizes individual waste disposal systems.

Description of Community Land Use Plan

Pine:

The Gila County Comprehensive Plan seeks to enhance opportunities for the development of low-intensity cottage and craft commercial uses adjacent to SR 87 through the use of the Multi-Functional Corridor designation. The Multi-Functional Corridor designation would permit the establishment of low-intensity commercial, employment and services that emulate the scale and character of the existing uses in the area and support the historical heritage design of the community. The Multi-Functional Corridor designation along SR 87 is intended to create opportunities for additional revenue generation and employment opportunities presented by proximity to and visibility from SR 87.

The plan proposes to cluster higher intensity uses along SR 87 and Hardscrabble Mesa Road to minimize potential traffic and land use impacts to residential development in the area. The Land Use Plan does not propose to modify the existing density levels for areas with existing zoning and approved subdivision plats. Projects that demonstrate an adequacy of infrastructure and provide documentation proving the availability of an adequate water supply, storage and distribution system; adequacy of traffic flow, roadway design and infrastructure; minimal light and noise pollution; and utilize site and building design that visually align with the design of the community, may be considered for additional project density. Nonresidential land uses should be located only along

primary transportation routes including State Route (SR) 87, Hardscrabble Mesa Road up to Eagle Lane and Pine Creek Canyon Road up to Hidden Pines Loop.

Strawberry:

The Gila County Comprehensive Plan seeks to retain the existing development pattern by focusing higher density residential and non-residential land uses in the eastern portion of the community adjacent to SR 87 and Fossil Creek Road. The placement of higher density residential and non-residential land uses in these locations will help mitigate the use of local residential streets by non-residential traffic, and promote the establishment of a local community core. Based on the existing zoning pattern, the plan proposes the creation of limited opportunities for the development of mixed-use projects immediately adjacent to Fossil Creek Road to facilitate the establishment of local non-residential services. Land uses in the areas designated as Mixed Use may include low-intensity commercial and/or employment uses that are compatible with the surrounding residential uses and do not generate high-volumes of non-residential traffic.

The plan does not propose to modify the existing densities for areas with existing zoning and approved subdivision plats. Projects that demonstrate an adequacy of infrastructure and provide documentation proving the availability of an adequate water supply, storage and distribution system; adequacy of traffic flow, roadway design and infrastructure; minimal light and noise pollution; and utilize site and building design that visually align with the design of the community, may be considered for additional project density. Non-residential land uses should be located only along the primary transportation routes of State Route (SR) 87 and Fossil Creek Road.

Pine-Strawberry Community Issues:

From the 2014 and 2015 community surveys and public forums the Pine-Strawberry citizens supported the following issues for the future of the Pine-Strawberry communities in managing the natural beauty of the area, while preserving the history, design and culture of the community.

- ☐ Preserve the natural environment
- ☐ Clean Air Quality
- ☐ Sustainable building practices
- ☐ Protect and preserve water resources
- ☐ Waste management and septic systems
- ☐ Preserve character of the community
- ☐ Preserve local history
- ☐ Dark Skies
- ☐ Natural Quiet
- ☐ Economic Development
- ☐ Transportation

Natural Environment

Resident input in the community surveys and subsequent public forums identified the following elements to our natural environment that they would like to preserve or enhance – the forest, air quality, and sustainable building

The goals and policies are meant to encourage environmental and resource protection while balancing the interests of new commercial development. Therefore, new commercial development should be designed and constructed to promote sustainability of natural resources.

Forest

Pine-Strawberry residents take pride in the areas natural environment, and the unspoiled wilderness, in the shadow of the majestic Mogollon Rim. This natural beauty was identified in the community surveys as a primary reason people live, work, and visit here. Environmental quality is of paramount importance, as is the conservation, maintenance and preservation of the forest and associated natural resources. Proactive environmental stewardship and natural resource conservation promote and support an unparalleled quality of life for the local residents. It is the pristine environment and local natural resources that promote tourism, which supports the small business community.

Pine and Strawberry are unique in that they are both surrounded by a 380-foot-wide firebreak that is maintained by the U.S. Forest Service to help mitigate the threat of fire from the surrounding natural forest. This is a great National example of fire wising through a Community/Government Agency partnership.

Goal: Protect the surrounding forest and the associated ecosystems from overly burdensome development.

- ☐ Policy: New commercial development should preserve existing wildlife corridors and/or habitats.
- ☐ Policy: New commercial development in or immediately adjacent to forested areas should plan for access to nearby trails.
- ☐ Policy: New development should not restrict existing public access to national forest lands.
- ☐ Policy: New development activities are highly encouraged to utilize “Firewise” standards in site and building design.
- ☐ Policy: New commercial development should preserve the natural flora.

Air Quality

Air pollution in the Pine-Strawberry area comes primarily from dust particulates and wood smoke. Prescribed burns are another source of air pollution that can leave a

palpable haze hanging over the area. These burns are important in the healthy management of the surrounding forest and occur infrequently over the course of a year. Fire managers make an effort to perform the burn operations so population centers are not impacted by the wood smoke.

Air quality is a major concern for Pine-Strawberry residents. Maintaining a high air quality standard is important to the public health and the protection of scenic views. Pine and Strawberry do not have industrial or manufacturing operations. The area residents desire to maintain this standard. Future commercial enterprises interested in locating to the area should maintain these high air quality standards.

Goal: Maintain a high air quality standard by minimizing pollution sources.

- ☐ Policy: Promote the development of businesses that do not contribute to air pollution.
- ☐ Policy: New commercial development should incorporate dust-free driving and parking surfaces into their site plan.
- ☐ Policy: High density residential and non-residential land uses should provide quality air pollution buffering treatments when located adjacent to an existing single family residential land use or a vacant parcel that is designated or zoned residential.

Sustainable Building Practices:

Sustainable building practices are healthier for the environment and for the individuals in the community. These practices are important since they minimize the use of water and provide for the protection of our natural environmental resources, maintain clean air quality and minimal noise pollution.

Goal: Proposed design review guidelines will protect and promote the unique characteristics of Pine-Strawberry by improving the aesthetic design and integration of new commercial development and construction to promote sustainability of natural resources.

- ☐ Policy: Gila County shall be responsible for insuring new commercial development in the Pine-Strawberry area conforms to the adopted design review guidelines for the area.
- ☐ Policy: New commercial development is encouraged to incorporate sustainable building concepts in both site and building design.
- ☐ Policy: New commercial development should use environmentally sensitive design techniques.
- ☐ Policy: New commercial development should be considered in relation to the existing scale and character of the surrounding area.
- ☐ Policy: Developers shall seek and integrate local public input at the outset of a projects design phase and/or any rezoning efforts.
- ☐ Policy: Gila County staff shall coordinate with local residents in the preparation, adoption, and/or updates to plans that affect the Pine-Strawberry area.

WATER RESOURCES

Adequate supplies of water were the number one future concern of citizens in the 2015 community survey. Water is one of the most critical factors in planning for future growth and development.

The Pine-Strawberry area is served by a number of sanctioned water districts as well as a few private wells. The largest water district serving the area is the Pine-Strawberry Water Improvement District (PSWID). The district governing board has worked to develop deep wells, adequate storage, improved water quality and distribution.

Any future development shall coordinate with the appropriate water provider to ensure access to a sustained, quality and adequate water supply.

Water Supply and Quality

Goal: Protect and preserve water resources.

- ☐ Policy: Groundwater protection and quality should be considered with respect to approving future development.
- ☐ Policy: Promote the location of businesses that are not high water users.
- ☐ Policy: New development should incorporate water saving measures in the project's design including: low-flow plumbing devices, drought tolerant landscaping, non-potable water sources such as gray water, water harvesting from runoff or rain water collection.

Goal: Continue water quality improvement efforts.

- ☐ Policy: New development proposals should include a drainage plan. At a minimum, the plan should address the new development's impact on adjacent property and groundwater quality.

Waste Management

Goal: Use of individual septic systems on lots less than 2.0 acres is strongly discouraged.

- ☐ Policy: Subdivisions may provide a wastewater system, or individual waste disposal system.

Community Quality

The character of a community is defined through its design, natural surroundings, history and culture. Maintaining and protecting this small town character is important to

the local residents. Key elements for maintaining a high quality of life are local history, community character, dark skies and natural quiet.

Pine and Strawberry residents share a common interest in preserving the physical character and natural attributes of the area. It is imperative that development should not adversely impinge on the scenic vistas. To preserve the local vistas, design review guidelines should be employed to help new commercial development better integrate into the fabric of the existing communities.

Local History

Venues of historic significance, whether buildings or archeological sites, are important to an area's identity. These assets provide a glimpse into the past. Further, they are the foundation upon which the Pine-Strawberry area developed.

Goal: It is necessary to preserve the local history and cultural aspects that are partly responsible for this area's identity and its historical importance to Arizona and the southwestern United States.

- ☐ Policy: New commercial development must be sensitive to the local history of the Pine-Strawberry area.

Community Character

The visual perception of Pine-Strawberry is very important to the local residents. Two factors that define the character of the community are its natural setting and design. Natural scenery can dramatically affect property values and tourism dollars. As the local area develops, it is critical that the unique features that distinguish Pine-Strawberry be preserved. The rock formations, Ponderosa pine stands, looming Strawberry Mountain, and the back drop of the Mogollon Rim are scenic vistas worth protecting.

Goal: Preserving the natural view corridors and planning/designing new commercial development that "fits" within the existing built environment and natural environment framework are critical factors that must be addressed.

- ☐ Policy: Residential densities (exceeding one-dwelling unit per acre), and commercial land uses are discouraged in areas of significant slope or on ridgelines.
- ☐ Policy: New commercial development should be planned through the use of sensitive design and constructed so as not to detract from view corridors.
- ☐ Policy: New commercial development should be inviting and visually aligned with the character of the community.
- ☐ Policy: The scale of new commercial development should be compatible with the surrounding land uses and consistent with the communities' natural environment, beauty, and historic charm.

- ☐ Policy: To minimize visual blight, all utilities necessary to service a new commercial development shall be placed underground if possible.
- ☐ Policy: New commercial development should act to preserve the natural vegetation and materials found on the site.
- ☐ Policy: New commercial development should be planned and built in a manner that minimizes visual impacts on local scenic vistas.
- ☐ Policy: No off site signage or billboards should be allowed.
- ☐ Policy: New commercial development shall conform to the Pine-Strawberry character of the community and the plan design standards, which include but are not limited to: overall site design, setbacks, screening, landscaping, lighting, parking, traffic generation, signage, building design, building mass/size, architectural features, building materials, colors, mechanical roof screening, etc.
- ☐ Policy: New commercial development should strive to provide adequate access for emergency vehicles, and adequate off-street parking to accommodate any proposed use. Properties located adjacent to SR 87 are encouraged to share required off-street parking.
- ☐ Policy: Developers shall seek and integrate local public input at the onset of any development's project design phase, if a public hearing is required.

Dark Skies

The clear air and atmospheric conditions of this area are well suited for astronomical purposes. Not only do the local residents value the beauty and wonder of the star-filled night sky, but so does the scientific community. There are several observatories in this part of Arizona that are successfully performing research into the cosmos because of the naturally dark night sky.

Goal: The preservation of dark skies is very important to the residents of Pine-Strawberry as well as the scientific community, and as such, light pollution must be mitigated.

- ☐ Policy: New commercial development shall install only the level of outdoor lighting necessary to provide for safety, and security.
- ☐ Policy: Sign lighting on new commercial development should not reflect upward, or off the property.
- ☐ Policy: High density residential and non-residential land uses should provide quality light pollution buffering treatments when located adjacent to an existing single family residential land use or a vacant parcel that is designated or zoned residential.

Natural Quiet

Local residents enjoy the peace and quiet of the area. However, many residents are subjected to noise created from two major sources, traffic along State Route 87 or major arterial roads (Hardscrabble, Fossil Creek, Pine Creek Canyon, Whispering Pines), and off road vehicles. The potential for noise, created by any new commercial development,

must be given serious consideration during the planning process. This is particularly important when a new commercial development is located close to residential, open space, or recreational areas.

Goal: The preservation of natural quiet as well as minimizing future noise pollution generated by new commercial development is very important to the residents of Pine-Strawberry.

- ☐ Policy: The potential impact of noise generated by new commercial development should be considered when reviewing site plans.
- ☐ Policy: High density residential and non-residential land uses should provide quality noise pollution buffering treatments when located adjacent to an existing single family residential land use or a vacant parcel that is designated or zoned residential.

Economic Development

The quaint, small town feel of the Pine-Strawberry area is a significant reason people visit and live here. As such, tourism is the primary economic factor that sustains the service sector of locally-owned and operated small businesses.

In order for Pine-Strawberry to remain viable and move forward, new commercial development must capitalize on the existing strengths of the area. Local residents view the environment and natural beauty of the area as its key strengths. The promotion of outdoor activities is important to the areas vitality. New commercial development must bring with it the services and amenities that will enhance the tourist's experience. These businesses must contribute to the charm and character of the communities of Pine-Strawberry. That is, the new business must "fit" within the needs of the community, and must not detract from the local natural environment.

Goal: The future sustainability and economy of Pine-Strawberry will depend largely on its ability to remain quaint, attractive and welcoming to all.

- ☐ Policy: Support sustainable tourism that values and respects the economic benefit of tourism that is based on the natural environment and outdoor activities.
- ☐ Policy: Attract new commercial development that will promote/enhance the economic sustainability of the area.
- ☐ Policy: Future new commercial development should be harmonious with the existing community, environmentally friendly, and support tourism.

Transportation:

The geographical environment of the Pine-Strawberry area influences the transportation planning for the area: the ability to build, cost of building, safety and creating an efficient system. Pine and Strawberry are located below the Mogollon Rim in valleys and side canyons adjacent to the Rim. There are steep slopes and narrow canyons which limit

the ability to build roadways. Currently one highway, State Route 87, goes through the center of Pine and Strawberry connecting the two communities to the town of Payson (13 miles to the south) and the town of Winslow (71 miles to the north). Commercial development has historically been along State Route 87.

Residents of Pine and Strawberry also support walking, hiking, biking and horseback riding throughout the community on backroads and on the many miles of trails throughout the neighboring forest. The communities of Pine and Strawberry are walkable communities.

Goal: A diverse transportation network that complements the character of the community and is safe and efficient.

- ☐ Policy: New commercial development should be pedestrian and bicycle friendly.
- ☐ Policy: Where appropriate and approved by the county, improvements such as stabilized natural surface trails may be constructed in-lieu of traditional improvements such as concrete sidewalks.
- ☐ Policy: Where possible new development along Hardscrabble Mesa Road, Fossil Creek Road and Pine Creek Canyon Road should be permitted when adequate roadway/right of ways, sidewalk, bike lane and traffic flow capacity are provided for and demonstrated through a traffic study.
- ☐ Policy: High-density non-residential uses that may significantly increase traffic volumes are discouraged.

LEGAL NOTICE
GILA COUNTY
PLANNING AND ZONING
COMMISSION
AND THE GILA COUNTY
BOARD OF SUPERVI-
SORS

NOTICE IS HEREBY GIVEN that the Gila County Planning and Zoning Commission will hold a public hearing on Thursday, January 18, 2018 beginning at 10:00 A.M. The hearing will take place in the Board of Supervisors Conference Room, located at 610 E. State Hwy 260, Payson, AZ and will be simultaneously telecast to the Community Development Conference Room at 745 N. Rose Moford Way, Globe, AZ. The Gila County Board of Supervisors will hold a public hearing on the following application on Tuesday, February 6, 2018 at 10:00 A.M. The hearing will take place in the Board of Supervisors Hearing Room, located at 1400 E. Ash Street, Globe, AZ and will be simultaneously telecast to the Board of Supervisors Conference Room located at 610 E. Hwy 260, Payson, AZ.

Amendment to Gila County Comprehensive Plan: CPA-17-02 Gila County: An application to amend the Gila County Comprehensive Plan by amending the narrative portion of the Plan for Pine and Strawberry, Arizona. The proposed amendment will provide updated data on the Pine-Strawberry area and provide guidance to the Planning & Zoning Commission and the Board of Supervisors in making zoning decisions to manage growth. There will be no changes to the designated planning districts identified in the 2003 Gila County Comprehensive Plan. The Board of Supervisors hearing date will be continued if the Planning and Zoning Commission has not given a recommendation. Interested persons may file a statement in writing for or against, or appear and be heard at the dates set forth. Citizens can mail their statements to the addresses below.

Information on the above mentioned case is available for review in the Gila County Community Development Department located at 745 N. Rose Mofford Way, Globe, AZ or 608 E. Hwy 260, Payson, AZ during normal business hours. Comments can be sent to rgould@gilacountyaz.gov or call (928) 402-8514, during

normal business hours.
By: _____

Robert A. Gould, Planner
Gila County Community De-
velopment
Arizona Silver Belt
One Publication: January 3,
2018 Acct: 101556
One pub:01-03-18
LE1272

Sherri J. Davis, or her authorized representative being first duly sworn deposes and says that she is the Publisher of the Arizona Silver Belt and the San Carlos Apache Moccasin newspaper at 298 North Pine Street, Globe, Arizona 85501, or mail: P.O. Box 31, Globe, Arizona 85502.

The above stated newspapers are published weekly in Globe, in the State of Arizona, Coconino and that the following described ✓ legal, or advertising was duly published.

NOTICE IS HEREBY GIVEN that the Gila County Planning and Zoning Commission will hold a public hearing on January 18, 2018 beginning at 10:00 A.M. The hearing will take place in the Board of Supervisors Conference Room at 610 E. State Hwy 260, Payson, AZ and will be simultaneously telecast to the Community Development Room at 745 N. Rose Mofford Way, Globe, AZ. The Gila County Board of Supervisors will hold a public hearing following application on Tuesday, February 6, 2018 at 10:00 A.M. The hearing will take place in the Board of Hearing Room, located at 1400 E. Ash Street, Globe, AZ and will be simultaneously telecast to the Board of Conference Room located at 610 E. Hwy 260, Payson, AZ.

Amendment to Gila County Comprehensive Plan:
GPA 17-00-Gila

CPA-17-02 Gila County: An application to amend the Gila County Comprehensive Plan by amending the narrative of the Plan for Pine and Strawberry, Arizona. The proposed amendment will provide updated data on the Pine area and provide guidance to the Planning & Zoning commission and the Board of Supervisors in making zoning to manage growth. There will be no changes to the designated planning districts identified in the 2003 Gila County Comprehensive Plan.

The Board of Supervisors hearing date will be continued if the Planning and Zoning Commission has not given

A printed copy of said legal or advertising is attached hereto and was published in a regular weekly edition of said newspaper (and not a supplement thereof) for 1 consecutive week in the ___☒___ Silver Belt, and/ or the ___ San Carlos Apache Moccasin newspaper.

JANUARY 3, 2018

The dates of publication being as follows, to wit:

State of Arizona)
) ss:

County of Gila)

The foregoing instrument was acknowledged before me **January 3, 2018**, by Sherri J. Davis.



Shenandoah

Sherri J. Davis
Publisher

Notary Public
My Commission Expires:
February 28, 2021

Affidavit of Publication

Payson Roundup

STATE OF ARIZONA 10090043

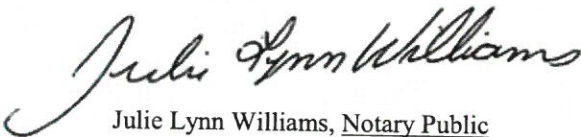
COUNTY OF GILA 1/2/2018

I, Paula VanBuskirk, do solemnly swear that I am Assistant Bookkeeper of the Payson Roundup, that the same is a newspaper printed, in whole or in part, and published in the COUNTY OF GILA, State of Arizona, and has a general circulation therein; that said newspaper has been published continuously and uninterruptedly in said COUNTY OF GILA for a period of more than fifty-two weeks prior to the first publication of the annexed legal notice or advertisement; that said newspaper has been admitted to the United States mails as second-class matter under the provisions of the Act of March 3, 1879, or any amendments thereof, and that said newspaper is a newspaper duly qualified for publishing legal notices and advertisements within the meaning of the laws of the State of Arizona. That the annexed legal notice or advertisement was published in the regular and entire issue of every number of said daily newspaper for the period of 1.00 consecutive insertions; and that the first publication of said notice was in the issue of said newspaper dated January 02 A.D., 2018, and that the last publication of said notice was in the issue of said newspaper dated January 02 A.D., 2018. In witness whereof I have hereunto set my hand this January 02 A.D., 2018.

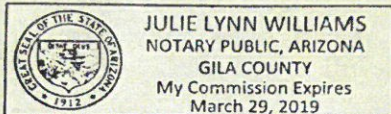


Paula VanBuskirk

Subscribed and sworn to before me, a Notary Public in and for the COUNTY OF GILA, State of Arizona January 02 A.D., 2018.



Julie Lynn Williams, Notary Public



16509: 1/18/2018
LEGAL NOTICE GILA COUNTY
PLANNING AND ZONING COM-
MISSION AND THE GILA
COUNTY BOARD OF SUPERVI-
SORS

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Information on the above men-

tioned case is available for review in the Gila County Community Development Department located at 745 N. Rose Mofford Way, Globe, AZ or 608 E. Hwy 260, Payson, AZ during normal business hours. Comments can be sent to rgould@gilacountyaz.gov or call (928) 402-8514, during normal business hours.

By: /s/ Robert A. Gould
Robert A. Gould, Planner
Gila County Community Development



STAFF REPORT TO THE PLANNING & ZONING COMMISSION

FINAL PLAT FOR ELK RIM SUBDIVISION CASE# S-17-01

APPLICATION TO SUBDIVIDE TWO PARCELS INTO 18 LOTS



**Planning and Zoning Hearing
January 18, 2018
610 E. Hwy 260, Payson, AZ**

I APPLICATION

Applicant Name	Terry Gorton
Applicant Address	PO Box 1195, Pine AZ 85544
Site Address	Lots 1 & 2 Portal Pine Creek Canyon IV, tract "B"
APN Numbers	301-69-196 and 301-69-197
Current Zoning Designation	TRANSITIONAL RESIDENTIAL
Current Comprehensive Plan Designation	Residential 3.5 to 5 Dwelling Units Per Acre Multi-Functional Corridor
Application Number	S-17-01

II Purpose & Description

The purpose of this application is to allow the applicant to subdivide two Parcels into 18 lots. Property is zoned Transitional Residential (TR). The applicant has not requested a change in zoning and is not required to amend the Comprehensive Plan.

III Primary issue or issues to consider

Neither parcel shows a designated FEMA Flood area.

The applicant held a Citizen Participation meeting. The mailing list for potential attendees was provided by Community Development Division Staff. We have letters in favor of and opposed to, which are included in the agenda packet.

Surrounding Land Uses:

North: Undeveloped
South: Single Family Residential
East: Undeveloped
West: Commercial Business

There are no major topographic issues for this parcel.

IV Zoning

The zoning applicable to both parcels is Transitional Residential (TR). This zoning does allow single family development. The zoning also allows other small business uses as well. The applicants are not requesting to rezone at this time. This could lead to issues in the future when you have a residential neighborhood and someone wants to develop a small business. The applicant should at some point consider R1-D6 zoning to protect future property owners. The minimum lot size of 6,000 square feet was used because our Zoning Ordinance under permitted uses refers us back to R3 uses and under R3 district regulations it states that minimum lot size of 6,000 square feet is permitted with multi-family developments. Multi-Family development is permitted in TR zoning.

V Comprehensive Plan

There are two designations shown for these parcels. The parcel to the north is designated for single family residential with lot sizes of 6,000 to 8,000 square feet. The southern parcel is designated as a Multi-Functional Corridor Both Comprehensive Plan Districts allow single family residential development.

V Access

Access to this subdivision will be from Anazi Way and Ruin Hill roads. Staff has no concerns about ingress and egress to this site.

VI Utilities

Public Water, Sewer and Electric are available to this subdivision. The applicant will need to submit will serve letters from all public utilities. An 8-foot-wide utility easement should be provided within the proposed development.

VII Road Improvements.

Applicants are proposing to provide a private roadway with a 50-foot wide easement and a 24-foot wide pavement section with 2 ½ inches of asphalt over 6 inches of ABC. No curbing is shown for pavement preservation. The roads will be private. The Public Works Director has accepted the proposed design.

VIII Final Drainage Report

A Final Drainage Report has been submitted and has been reviewed by the Floodplain Administrator and Grading and Drainage Staff.

IX Police & Fire Protection

A copy of final plat has been submitted to the Sheriff's Office and Fire District with no issues or concerns being provided.

X Recommendation

This plat has been referred back to the Commission at the request of the Deputy County Attorney. He found that the Arizona Department of Water Resources (ADWR) will serve letter was not included with the prior review by the Commission. The Commission did not know what their options were in considering their recommendation to the Board of Supervisors. The ADWR has found that the water is not adequate to support the development. I need to caution the Commission that just about every subdivision we have done receives this letter. In fact, Globe is the only source of an adequate water supply in Gila County. The reason behind this is the time and cost it would take to prove adequate water supply. The Commission reserves the right to a recommendation, to the Board of Supervisors, to either approve or deny.

GENERAL NOTES

1. EASEMENT, RIGHTS OF EASE, COUNTY, ITS SUCCESSORS AND ASSIGNS, HARMLESS IN THE EVENT OF FLOODING.
2. EASEMENT, RIGHTS OF EASE, COUNTY, ITS SUCCESSORS AND ASSIGNS, HARMLESS IN THE EVENT OF FLOODING.
3. ALL ROADWAY AND DRAINAGE IMPROVEMENTS SHALL BE MAINTAINED BY THE ELK HOME OWNERS ASSOCIATION AS SPECIFIED BY DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS.
4. NO FURTHER SUBDIVISION WILL BE DONE WITHOUT THE WRITTEN APPROVAL OF THE ELK COUNTY BOARD OF SUPERVISORS.
5. ALL UTILITIES ON THE PROJECT SITE TO BE UNDERGROUND.
6. ALL LOT AND TRACT CORNERS, PRIVATE STREET CENTERLINE CONTROL, BEGINNING AND ENDING OF CLIMPS WILL BE MONUMENTED WITH 1/2" REBAR WITH THE RES 12513.
7. PURSUANT TO A.R.S. 45-106, THE DEPARTMENT OF WATER RESOURCES HAS REVIEWED THE AVAILABLE INFORMATION PERTAINING TO THE WATER SUPPLY FOR ELK COUNTY. THE AVAILABLE INFORMATION DOES NOT MEET THE CRITERIA OF A 100 YEAR AVERAGE WATER SUPPLY. THEREFORE, THE DEPARTMENT FINDS THE WATER SUPPLY TO BE INADEQUATE.

SHEET NO.	DWG. NO.	DESCRIPTION
1	CVR	COVER SHEET AND GENERAL NOTES
2	PLAT	FINAL PLAT

BASIS OF BEARINGS

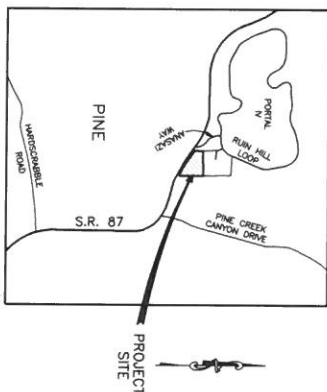
BASIS OF BEARING =
NORTH LINE THIS PROJECT
PER MAP 729, G.C.R.
BEING: N 89°50'26" E



TYPICAL BUILDING SETBACKS



TYPICAL PUBLIC UTILITY, DRAINAGE, AND SLOPE EASEMENT

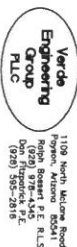


LOCATION MAP
N.T.S

OWNER

LA MESA, CA 91941

Prepared by



Project No. 17-04

DEDICATION

KNOW ALL MEN BY THESE PRESENTS

[illegible]

IN WITNESS WHEREOF

THIS _____ DAY OF _____ 2017.

ACKNOWLEDGMENT

COUNTY OF GILA } SS
THIS INSTRUMENT WAS ACKNOWLEDGED BEFORE ME THIS ____ DAY
OF ____ 2016.

WHO ACKNOWLEDGED HIMSELF TO ME TO BE THE _____
OF JAVALINA SKY, LLC, AND THAT AS SUCH, BEING AUTHORIZED SO TO
DO, SIGNED THE NAME OF THE COMPANY AS SUCH OFFICER.

NOTARY PUBLIC MY COMMISSION EXPIRES: MEMBER

APPROVALS

APPROVED BY THE GILA COUNTY BOARD OF SUPERVISORS
THIS _____ DAY OF _____, 2017.

BY _____
CHAPMAN

ATTEST: _____
TOWN CLERK

APPROVED BY THE GILA COUNTY PLANNING AND ZONING COMMISSION
DATE MAY 05, 2017

BY _____
CHAIRMAN

APPROVED BY CALA COUNTY COMMUNITY DEVELOPMENT SERVICES
THIS
DAY OF
2017

BY _____ DIRECTOR

APPROVED BY GILA COUNTY ENGINEERING SERVICES
THIS MAY OF 2017

BY _____
DIRECTORSEE DEED RESTRICTIONS RECORDED IN FILE #
SILVA COUNTY RECORDER'S OFFICE

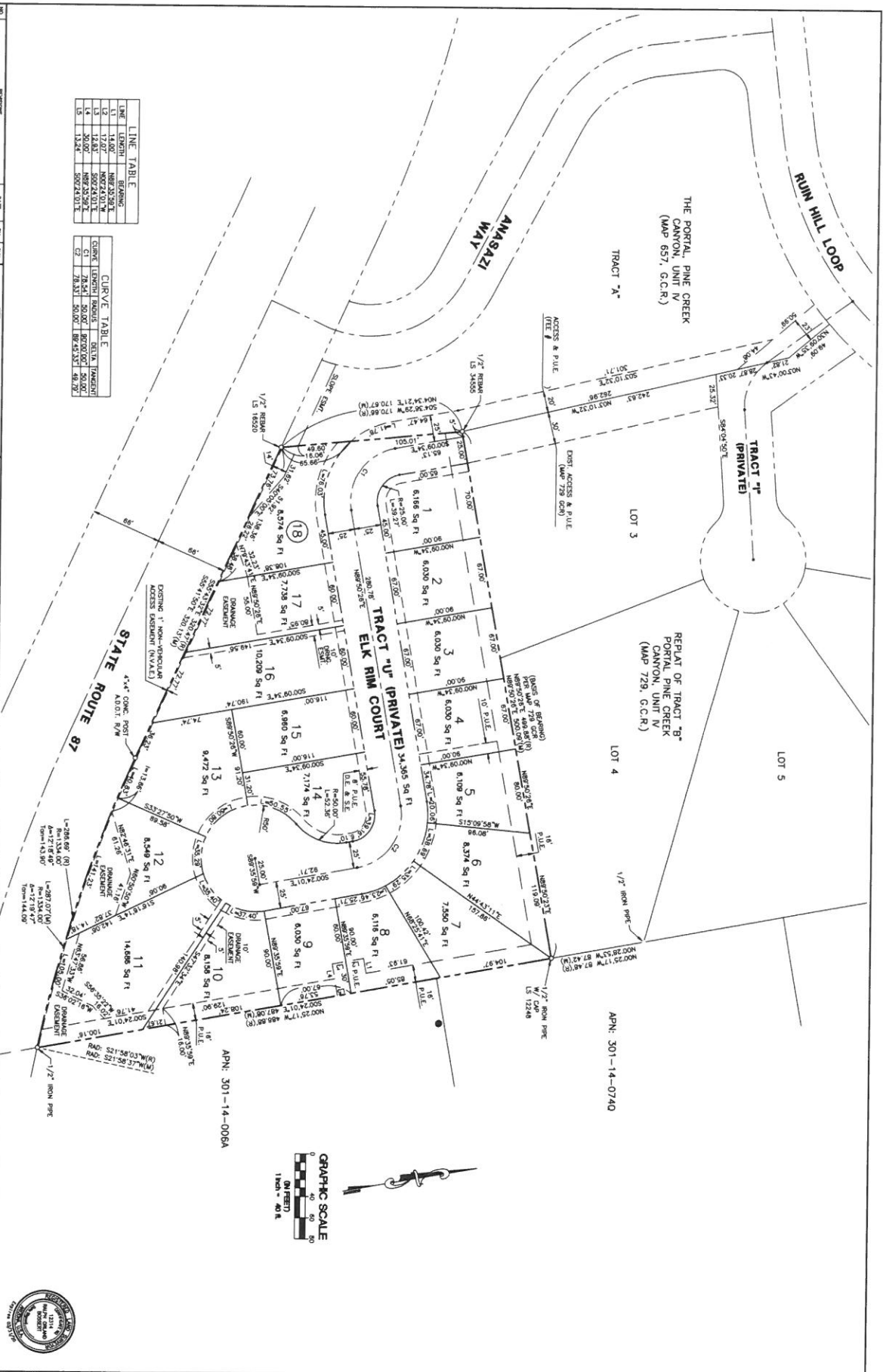
CERTIFICATION

THIS IS TO CERTIFY THAT THIS MAP, CONSISTING OF TWO (2) SHEETS CORRECTLY REPRESENTS A SURVEY MADE UNDER MY SUPERVISION DURING THE MONTH OF MAY, 2017, THAT THE SURVEY IS TRUE AND COMPLETE. LOT CORNERS ARE MARKED WITH A 1/2" REBAR WITH U.S. TAG #12314 AND THE MONUMENTS ACTUALLY EXIST. THEIR POSITIONS ARE CORRECTLY SHOWN AND SAID MONUMENTS ARE SUFFICIENT TO ENABLE THE SURVEY TO BE REPRODUCED.



NO.	REVISIONS	DATE	BY	CHK.

Verde Engineering Group, P.L.C. 1108 North McDowell Road Phoenix, Arizona 85006 (602) 778-4455 (602) 955-2818	
ELK RIM PINE, ARIZONA	
DESIGNED BY: [Signature] CHECKED BY: [Signature] APPROVED BY: [Signature]	DATE: 11/06/17
FINAL PLAT	
SCALE: HORIZ. 1" = 40' VERT. INTERVAL = 2'	SHEET NO. 2 OF 2



Elk Rim Subdivision

Steve Sanders
Tom Homan
Mark Guerena
Jake Garrett
Scott Buzan
Jerry Irish/Dennis Kroeger
Gila County Sheriff's Office
Supervisors (District 1,2,3)

Pine-Strawberry FD, station 41: PO Box 441, Pine, AZ 85544
Suddenlink Communications: 252 E. Highway 260, Payson, AZ 85541
(Telephone and Cable)
Alliant Gas, LLC, 200 W. Longhorn Rd., Payson, AZ 85541 (Gas Company)
APS, 400 W. Longhorn Rd., Payson, AZ 85541 (Electric Company)
Pine Creek Canyon Domestic Water Improvement District, PO Box 945, Pine, AZ
85544 (Water and Sewage)

mailed
11/3/17

745 N. Rose Mofford Way
Globe, Arizona 85501
(928) 402-4224
FAX (928) 425-0829



608 E. Hwy 260
Payson, Arizona 85541
(928) 474-9276
FAX (928) 474-0802

GILA COUNTY COMMUNITY DEVELOPMENT

November 3, 2017

Re: Final Plat for Elk Rim Subdivision

I have attached a copy of the final plat to be considered by the Board of Supervisors. Elk Rim is located just off State Highway 87, before you enter into the Portals Subdivision, in Pine, Arizona. The parcel numbers are 301-69-196 and 301-69-197. At this time, we have tentatively scheduled a meeting with the Board of Supervisors to review this final plat on December 19, 2017. If you could review and provide any comments within the next 30 days, it would be appreciated.

Sincerely,

Robert A. Gould
Planner

DOUGLAS A. DUCEY
Governor



THOMAS BUSCHATZKE
Director

ARIZONA DEPARTMENT of WATER RESOURCES
1110 W. Washington St. Suite 310
Phoenix, Arizona 85007
602-771-8500
azwater.gov

Via electronic mail & US Mail

December 5, 2017

Terry Gorton
Javelina Sky Development, LLC
8621 El Granito Ave
La Mesa, CA 91941

Water Report # 53-700983.0000
Subdivision Name: Elk Rim
Owner Name: Javelina Sky Development, LLC,
an Arizona limited liability company, owner,
Number of lots: 18
County: Gila
Annual Water Demand 6.87 acre-feet/year

Water provided by: Pine Creek Canyon
Domestic Water Imp. District
Water Type: Groundwater
Current water depth: No Information
Estimated 100-year depth: No Information
Current decline rate: No Information
Basin: Verde Canyon

Dear Mr. Gorton,

Pursuant to A.R.S. § 45-108, the Department of Water Resources has reviewed the available information pertaining to the water supply for the above-referenced subdivision. This letter constitutes the Department's report on the subdivisions water supply as required by A.R.S. § 45-108(A).

Adequacy of the 100-year water supply was reviewed by the Department with regard to physical, legal and continuous availability, water quality and financial capability. Information provided to the Department that indicates that the applicant has not satisfied the adequate water supply requirements as set forth in A.A.C. R12-15-701 *et seq.* Therefore, the Department of Water Resources finds the water supply to be inadequate to meet the subdivision's projected needs.

Pursuant to A.R.S. §32-2181.F. a summary of the Department's report for those with an inadequate water supply shall be included in all promotional material and contracts for sale of lots in the subdivisions. We suggest the following synopsis:

“Elk Rim subdivision is being served Groundwater by Pine Creek Canyon Domestic Water Improvement District. The Department has determined that adequacy of the proposed supply does not meet the criteria of a 100-year adequate water supply. The following criteria have not been met:

- **Physical availability of the water supply for 100 years.**
- **Continuous availability of the water supply for 100 years.**

Therefore, the Department finds the water supply to be inadequate. For additional information please contact the Arizona Department of Water Resources at (602) 771-8599.”

The developer, pursuant to A.R.S. §32-2181(F), may suggest a different summary of this report, but it must contain the above elements and/or the Department’s findings.

This letter is being forwarded to the Arizona Department of Real Estate as required by A.R.S. § 45-108. This law requires the developer to hold the recordation of the subdivision's plat until receipt of the Department's report on the subdivision's water supply. By copy of this report, the Gila County Recorder is also being officially notified of the developer's compliance with the law.

Pursuant to A.R.S. § 41-1092.03, the Department is notifying you that the Director’s determination and decision to issue this Water Report is an appealable agency action. You are entitled to appeal this action. If you wish to appeal this action, you must file a written appeal within thirty (30) days from receipt of this letter. I am providing you with a summary of the appeal process and an appeal form, should you elect to pursue this option.

If you have any questions, please contact the Office of Assured & Adequate Water Supply at 602-771-8599.



David McKay

Manager, AAWS & Recharge Permitting
DM/rbo

Via Electronic Mail:

Gila County Planning and Zoning

Gila County Recorder

Dan Fitzpatrick, PE, Verde Engineering Group

Carla Randolph, Arizona Department of Real Estate

Daniel Czecholinski, Arizona Department of Environmental Quality

Heide A. Kocsis, Az. State Land Department



Water Adequacy Program Summary

Arizona Department of
Water Resources

November 2001

Introduction

In 1973, the Arizona Legislature enacted a statewide water adequacy statute as a consumer protection measure in response to the marketing of lots without available water supplies. The Water Adequacy Program, described in A.R.S. § 45-108, requires subdivision developers to obtain a determination from the State regarding the availability of water supplies prior to marketing lots. Developers are required to disclose any "inadequacy" of the supply to potential buyers. This law applies to new subdivisions outside of Active Management Areas (AMAs). New subdivisions within AMAs are subject to the more restrictive Assured Water Supply Program which is summarized in a separate document.



Active Management Areas

Inside this issue:

Introduction	1
Subdivision Requirements and Water Adequacy	1
Adequate Water Supply Criteria	1
Meeting the Water Adequacy Criteria	2
Applications	2
Assistance	2

Subdivision Requirements and Water Adequacy

For new subdivisions outside of AMAs, a water adequacy determination is required before a plat can be approved by a city or county. The determination is also needed before the Department of Real Estate will authorize the sale of lots. A subdivision is defined as land divided into six or more parcels where at least one parcel is less than 36 acres. Land divisions resulting in parcels larger than 36 acres are classified as "unsubdivided" lands and do not require a water adequacy determination.

Adequate Water Supply Criteria

Subdivision developers may obtain a water adequacy determination by applying to the Arizona Department of Water Resources (ADWR) for a water adequacy report. If the application successfully demonstrates that sufficient water of adequate quality is available for at least 100 years, the Department will determine the supply to be "adequate." If the supply is determined to be "inadequate," lots may still be sold, though the condition of the water supply must be disclosed in promotional materials and in sale documents.

As an alternative to developers obtaining water adequacy reports for each subdivision, the water provider may acquire a Designation of Adequate Water Supply for an entire service area. If the subdivision will be served by a designated provider, the developer need only obtain a written commitment of service from the provider.



Arizona Department of Water Resources

Groundwater Management Division
Office of Assured and Adequate Water Supply
500 N. Third Street
Phoenix, Arizona 85004-3921

Phone: 602.417.2465
Fax: 602.417.2467

Securing Arizona's Water Future



We're on the web!
www.water.az.gov

Meeting the Water Adequacy Criteria

1. Physical, Legal and Continuous Water Availability

Physical availability of the water supply is typically demonstrated through a hydrologic study. For groundwater, the study must consider demands of current and committed uses for a 100 year period, and the supply must meet depth limitations specified in the Assured and Adequate Water Supply Rules. Currently, the depth-to-water cannot exceed 1,200 feet after 100 years for subdivisions served by a water company. For dry lot subdivisions, the maximum depth-to-water cannot exceed 400 feet after 100 years. For all sources of water, legal rights must exist, and adequate delivery, storage and treatment works must be either in place or financed.

2. Water Quality

Proposed sources of water must satisfy existing state water quality standards as well as other water quality standards applicable to the proposed use after treatment.

Applications

A water adequacy report application is filed for a subdivision and must include demand projections, the proposed subdivision plat and a hydrologic study. The application review process typically requires 60 days. If a subdivision plat is not available, an Analysis of Adequate Water Supply may be applied for. The Analysis is used for master plan communities and is a preliminary step toward obtaining a water adequacy report. Water providers may choose to apply for a Designation of Water Adequacy for their entire service area. Applications are available on the Department's website, or can be picked up at our offices.



Assistance

For more information regarding water adequacy determinations, contact the following ADWR offices:

Office of Assured and Adequate Water Supply
(602) 417-2465

Hydrology Division
(602) 417-2448

.01 The following water availability guidelines for water production are hereby established for all new subdivisions or expansions of existing subdivisions within the unincorporated areas of Gila County.

a. Gila County's Gallon Per Day minimum requirements are hereby established as outlined below.

1) Subdivisions within areas, determined to be year around use areas shall provide sufficient evidence to demonstrate water availability in the amount of two hundred and fifty (250) gallons per day, per potential residence, on an annual basis.

2) Subdivisions within areas determined to be seasonal use areas shall provide sufficient evidence to demonstrate water availability in the amount of one hundred and thirty five (135) gallons per day, per potential residence, on an annual basis.

b. For purposes of these guidelines; potential residences shall be calculated using the highest possible density established by the governing zoning district.

c. Water demands may exist within a Subdivision requiring additional water availability, such as laundry facilities, club houses, swimming pools, fountains, etcetera. These facilities will be subject to water availability requirements as well. These requirements will be determined based on the proposed facility and potential water consumption.

Berumen, Therese C

From: Gould, Robert
Sent: Thursday, January 11, 2018 9:23 AM
To: Berumen, Therese C
Subject: FW: Additional Documents for Elk Rim Project
Attachments: ElkRimGouldDocumentsRequested.pdf

Therese I don't remember if I sent this to you .

Bob Gould

From: mountaindad1@gmail.com [mailto:mountaindad1@gmail.com] **On Behalf Of** Harry Jones
Sent: Thursday, January 04, 2018 7:13 PM
To: Gould, Robert
Subject: Additional Documents for Elk Rim Project

Bob:

In response to the list of items that Dave Dalton, Deputy County Attorney, is requesting within his meeting notes you forwarded to me, please see the explanations and combined attachments below:

- **The District's Rules and Regulations as adopted by the Board on 3-15-14 are attached.** In terms of the question of how the rates and fees might be changed in the future, please see Section 10.2 where it clearly establishes that there must be "properly noticed public meetings to all Property owners and Customers", including related agendas, objection periods, etc. In addition, also see Section 7.1 that clearly indicates "Rates and Fees for water and Wastewater Services are periodically established by the Board after a public hearing noticed to the Customers and Property Owners has occurred". Additionally see the Water and Wastewater Rate and Fee Schedule (6th bullet) attached below that states "Rates and fees are subject to change by Board action at any time". Obviously, keeping the public aware and having them participate in the rates and fee discussion is built into the District's operating procedures.
- In terms of the question of how the Interconnection Process, as attached below, might be changed, please see the Rules and Regs under RATES AND FEES Major Project Interconnection Charges where it indicates at Section 7.3 that "Additional fees and costs may be incurred if major project Interconnection Policies adopted by the Board . . . are applicable". Again, please see the Rate and fee Schedule where it indicates "Rates and fees are subject to change by Board action at any time". Also see the Interconnection Process adopted 4-15-06 and amended on 12-20-14 (attached below) where (a) it outlines the amount of fees to be paid under the Interconnection Study paragraph (at the fourth bullet) "shall be paid in full to the District by the Interconnector", (b) it outlines under the Interconnection Agreement paragraph (at the second sentence) "All expenses incurred by the District to develop the Interconnection Agreement shall be borne by the Interconnector as they are expended by the District", and (c) it outlines under the Infrastructure Design and Construction paragraphs "The cost of the District's initial, and any any additional review(s), will be the sole expense of the Interconnector". In summary, the Interconnection Process concludes in the third bullet on page 1 that "All costs associated with the connection to and expansion of the infrastructure shall be borne by new customers", some of which are prepaid, and some by reimbursement to the District.
- In terms of 4.b.i on Mr. Dalton's meeting notes, we can amend the will-serve letter to incorporate his suggested language that indicates "the District guarantees an adequate supply of water that will not be

less than the requirements of the Gila County Subdivision Ordinance of 250 gallons per day for the 18 homes within the Elk Rim subdivision".

- In terms of 4.b.ii on Mr. Dalton's meeting notes, I am not sure what a "certified water company" is or what a "certificate water company" means. Pine Creek Canyon Domestic Water Improvement District is not a "Company", but under the ARS is instead is a "Domestic Water Improvement District". I believe that within Arizona's statutes and rules, a water "company" (if over 15 customers) is a "company" only if it is regulated by the Arizona Corporation Commission, which regulatory body has no jurisdiction over DWIDs. I believe the authority to be a water "district" (i.e. a municipal entity purveyor of water to over 15 customers) for all DWIDS and our District is contained within the BOS resolution that establish our District in 1996. I can provide that resolution to satisfy what the County ordinances maybe are calling a "certificate" for a "company". If you think something like a 1996 Approval of Construction by ADEQ would be what Mr. Dalton is looking for as a "certificate", let me know so we can make the proper reference to that or whatever other document you want to be referred to in a revised will-serve letter.
- In terms of 4.c on Mr. Dalton's meeting notes, we can, for the third time, have the Chairman execute with his signature.

In terms of other documents possibly discussed in the meeting with Mr. Dalton, Scott Buzan, and you, I think you already have the 12-16-17 properly posted meeting notice and agenda and the minutes that support the authenticity of the will serve letters that are being required.

Bob, hopefully, we are nearing the end of the road to supply everything Mr. Dalton is requiring. We at the District, along with Rick Vesci and Terry Gorton, have been very patient and very responsive to your requests. However, can Mr. Dalton, Community Development, and any others at Gila County immediately come up with a final list of requirements and documents, who signs what, etc. that it will take to bring this process to a conclusion? The District is willing to continue to help to increase its own revenues and customer base and is also willing to help the County increase its property taxes and Community Development Department revenues, so please let me know immediately of what the District, the developers, and the County need to do!

Obviously, for everyone's best interest and before it goes away, the economic development opportunity being provided by Terry and Rick needs to be taken advantage of as soon as possible.

Harry D. Jones
harryjoneshdjmgmt@gmail.com
(928) 595-1111

RULES AND REGULATIONS

PINE CREEK CANYON DOMESTIC WATER IMPROVEMENT DISTRICT

As Adopted by the Board of Directors on 3-15-14

1. DEFINITIONS:

- 1.1. Defined Terms. In these Rules, unless the context clearly requires otherwise:
- A. "Applicant" means a Property Owner who applies for water and Wastewater service (together "Service") from the District, to be delivered to real property within the District owned by the Property Owner, either through existing connections in the case of a Transfer, or through new connections in the case of a new installation.
 - B. "Board" means the Board of Directors of the District.
 - C. "Customer" means an individual or entity who is receiving Service from the District through one or more Service connections.
 - D. "County" means Gila County, Arizona.
 - E. "District" means the Pine Creek Canyon Domestic Water Improvement District, as its legal boundaries may exist from time to time.
 - F. "Domestic Use" means for human consumption, not agricultural use and not large scale industrial use.
 - G. "Entity" means a corporation, limited or general partnership, limited liability company, trust, or any other form of association or legal entity.
 - H. "Fee" means the dollar amount specified on the District's Water and Wastewater Rate Schedule or Interconnection Policy as adopted from time to time.
 - I. "Interconnection Policy" means any policy adopted by the Board that covers proposed additions to the District's infrastructure for multi-family and commercial properties.
 - J. "Plans" means the District's detailed construction plans, specifications and cost estimates for a water main extensions or Sewer connections and/or re-configuration of the District's systems, equipment, and/or infrastructure that would be reasonably required to provide domestic water service and Sewer service to an Applicant.
 - K. "Property" means any lots, parcels, or tracts of land located within the District.
 - L. "Property Owner" means each of the individuals and Entities that are the owners (as shown on the records of the County) of any real property located within the boundaries of the District.
 - M. "Rate Schedule" means the Rate and Fee Schedule of the District adopted by the Board, as it may be amended from time to time.

- N. "Rules" means these Rules and Regulations, as they may be amended from time to time.
 - O. "Security Deposit" means the funds deposited with the District as provided for in Section 4 of these Rules.
 - P. "Service" means (a) delivery of potable water to the District's service meter near the edge of the Customer's Property, and (b) the collection and treatment of Wastewater from the edge of the Customer's Property through the treatment plant and to the percolation/evaporation pond.
 - Q. "Sewer" means a Wastewater collection or processing line.
 - R. "State" means the State of Arizona.
 - S. "Transfer" means any change in the legal individual or Entity who is the legal Property Owner of record with the County. "Transfer" includes without limitation the following: (i) sales to third parties; (ii) assignments by individuals to entities such as partnerships or trusts which they control; and (iii) any change which (alone or together with all prior changes) results in a change of more than fifty percent (50%) of the ownership interests in any entity that is the Property Owner.
 - T. "Wastewater" means sewage and non-potable waters collected through the Property Owner's grinder pump and/or the underground Sewer lines installed in the District to be treated by the Sewage treatment facility to become effluent to transfer to the percolation/evaporation pond.
- 1.2. Number and Gender. In these Rules, where the context requires in any particular case, the singular includes the plural and vice versa, and the neuter gender includes the masculine and feminine genders.

2. PURPOSE:

- 2.1. Subject to the terms and conditions of these Rules and Regulations, the District shall provide water and Wastewater connections to Property Owners and renters for Domestic Use for (i) one single family residence on each residential lot within the District, (ii) each multi-family unit appropriately zoned within the District, and (iii) each commercial parcel appropriately zoned within the District. Commercial use shall include rental operations of bed and breakfast facilities (if allowed) and rental or leases of secondary guest houses on a single lot that are occupied by a separate household other than the primary residents.
- 2.2. The Board shall manage the District for the benefit of the Customers and Property Owners of the District.
- 2.3. The Board shall not approve extensions to the geographical area of the District or to agree to supply services to property or customers outside the District, except in short-term emergencies, without hearings to allow public input to such decisions.

3. APPLICATIONS FOR SERVICE:

- 3.1. Application.
 - A. If the proposed customer is not the Property Owner:
 - (1) The Property Owner must apply for Service on behalf of the proposed Customer.

- (2) The Property Owner will be jointly and severally responsible together with the Customer for all of the obligations of the Customer under these Rules, including without limitation, for all payments owed to the District by the Customer.
- B. Upon a Transfer, or to establish a new Service connection for an existing undeveloped lot, for a new lot, or for an existing Customer at a new location, an application from the Property Owner must be received at the District's office. The application must be received at least ten (10) days in advance of any Transfer, and at least thirty (30) days prior to the establishment of any new Service. If pipelines, meters, Sewer lines, or other fixtures, equipment, or infrastructure must be installed or moved by the District before Service can begin, the District must be given reasonable additional advance notice.
- C. To establish a new Service connection, the Applicant must pay the District the base meter, water line, Wastewater installation Fees and any other applicable charges as specified in the Rate Schedule.
- D. If the Applicant is proposing multi-family or commercial Services that may require significant evaluations of the availability of water resources and Wastewater processing capacity, the Applicant shall first apply for Services to the District under any Interconnection Policies adopted by the District from time to time.

3.2. Parcel Splits.

- A. If new connections are requested for any Property or subdivision thereof not previously approved by the District, no connections will be made until:
 - (1) Any required Fees in the amount specified in the Rate and Fee Schedule are paid to the District; and
 - (2) Any required Fees under any Interconnection Policy adopted by the District from time to time are paid.
- B. The District reserves the right to refuse new Services to any additional Property for any of the following reasons, taking into consideration the anticipated needs of existing undeveloped property within the District:
 - (1) A lack of adequate and consistent supply of water.
 - (2) Lack of water storage capacity to service additional Customers.
 - (3) Lack of current equipment, infrastructure and facilities to adequately treat and process water or Wastewater for any additional demands as outlined in any Interconnection Policies adopted by the District from time to time..
 - (4) Failure of the Property Owner to meet the requirements of Sections 3.1 and 3.2.

3.3. District Improvements Necessary To Serve Applicant.

- A. Any Applicant requesting Service requiring a water main extension, Sewer line extension, or re-configuration of the District's systems, equipment or infrastructure that reasonably involves the preparation of District Plans shall deposit with the District an amount equal to the

estimated cost of preparing such District Plans as required by the District and as outlined in any Interconnection Policies adopted by the District from time to time. The deposit is due before the District starts the Plans. Any increase in the cost of the Plans shall be deposited with the District by the Applicant upon demand. Upon completion and review of the Plans, any excess in the deposit shall be refunded to the Applicant within fifteen (15) days.

- B. The District's costs of the construction, installation and materials as specified in the Plans, in addition to any systems testing or service disruptions, will be in addition to the cost of the Plans. All such costs shall be the responsibility of the Applicant, and must be deposited with the District by the Applicant prior to the start of construction, installation and ordering of materials. In the event the District's actual costs of construction, installation and materials exceed the estimated amounts as advanced by the Applicant, the Applicant shall pay such additional amounts upon demand. If the costs incurred are less than the amount advanced, the District shall make a refund to the Applicant within fifteen (15) days after completion and acceptance of the project.
- C. All agreements requiring pre-payment deposits by the Applicant shall be in writing and signed by each party before the District commences work on the Plans, ordering materials or construction.
- D. The Plans and construction may be completed in whole or in part by the District or its operators or by outside parties, as decided by the Board. The District shall be entitled to be compensated for any work it performs as though it were a third party contractor.
- E. All District activity and schedules necessary to carry out the Plans shall be done under direction of the Board, and shall be subject to normal weather and operational convenience delays.
- F. No interest shall be paid to the Applicant on any improvement Plan deposits. Except as expressly provided in Paragraphs 3.4.A and 3.4.B above, all improvement Plan deposits are non-refundable.
- G. All Plans, materials, equipment and improvements acquired and/or installed pursuant to this Section 3.3 shall become the sole property of the District.
- H. The District reserves the right to upgrade any water or Sewer line to the size necessary to serve additional Property that is not currently being served but may be served by that line when such Property is developed. The Applicant shall pay the full costs of the Plans, materials and construction for such an upgraded line, but the District agrees to collect, and remit to the Applicant, the pro-rata share of the upgrade cost from each future Property Owner being served by the upgraded lines at such time as each additional Applicant along the upgraded line applies for and receives Service. The District does not guarantee that such additional Applicants will ever apply for, or qualify to receive, water or Sewer service from any upgraded line.
- I. The District reserves the right to combine planning and construction for the improvements necessary to serve Applicant with other infrastructure

improvements and to allocate the total costs for the Plans, materials, equipment, and construction between the Applicant and the District on a reasonable pro-rata basis.

- 3.4. Easements. The Applicant and any future Property Owners must provide the District with written easements in recordable form and satisfactory to the District for the construction, use, maintenance, and repair of all District water and Sewer lines, meters, meter boxes, and any other District infrastructure to be located on the Applicant's property; and for access to read the meter and check for leaks in both the District's and the Applicant's water lines and Sewer equipment located anywhere on the Applicant's property.
- 3.5. Grounds for Rejection. The District may reject an application for Service when any of the following conditions exist:
- A. The Applicant is delinquent in the payment of any amount owed to the District.
 - B. A condition exists, or may exist, on a Property, which in the Board's judgment, is unsafe or hazardous to the Applicant, the District's facilities, other Customers, or any operational staff.
 - C. The Applicant is known to be in violation of the District's Rules or the general utility and property use ordinances or requirements of any Federal, State, County or local statutes, rules or regulations applicable within the District.
 - D. Failure of the Applicant to provide: (i) the installation fees required by Section 3.1, if applicable; (ii) payment of assessment or impact fees required by Section 3.2, if applicable; (iii) payment for District improvements as required by Section 3.3, if applicable; (iv) a Security Deposit as required by Section 4.1; (v) property improvements to the Applicant's lot necessary for the District to serve the Applicant as set forth in these Rules and reasonably specified by the District as a condition for providing service; or (vi) easements as required by Section 3.4.
 - E. The District may consider any entity controlling, controlled by, or under common control with the Applicant, any immediate family member of the Applicant, and any person residing with the Applicant, to be the Applicant for the purposes of determining whether grounds exist to reject an application for Service as provided in this Section 3.5.

4. **SECURITY DEPOSITS:**

- 4.1. A Security Deposit, as specified in the Rate Schedule, is required at the time of the application for Service.
- 4.2. Additional Security Deposits in an amount to be determined by the Board may be required at any time bills are delinquent for a period of more than sixty (60) days.
- 4.3. The District shall (i) return Security Deposits to the Customer once all monies owed by the Customer to the District have been paid in full and the Customer's meter is disconnected or transferred to another Customer; or (ii) after twelve (12) months of no delinquency on an account.
- 4.4. No interest will be paid to Customers on Security Deposits held by the District.

- 4.5. In case an account is delinquent for any reason, the District may use Security Deposit funds provided by a Customer to pay any amount then due and owing by that Customer to the District. The Customer shall immediately replenish the Security Deposit to replace the amount of any such payment.
- 4.6. The District shall maintain records of all Security deposits and be permitted to commingle minor Security Deposit funds with other District funds.

5. OBLIGATIONS OF PROPERTY OWNERS AND CUSTOMERS:

- 5.1. Prohibited Practices. Customers shall not allow water and Sewer services furnished by the District to be moved from one Property to another, even if owned by the same Property Owner except if the water or Sewer is provided to a guest house on the same parcel that is occupied by family members or temporary guests (not including renters) of the Property Owners. Resale of water or Sewer services supplied by the District or use of downstream meters is prohibited.
- 5.2. Care of District Property.
 - A. The Customer shall provide adequate protection to safeguard all District property located on the Customer's Property and premises.
 - B. The Customer shall provide a suitable location for a meter box that is in an unobstructed location and accessible to the meter reader at all times. Meter boxes shall be protected from hazards and drainage areas.
 - C. Driveways shall not be constructed over, or in the path of meter boxes. Customers shall not construct buildings, major landscape features, culverts, etc., over water and Sewer line easements, valve boxes, District mains, or other District infrastructure.
 - D. Customers shall maintain buildings, water ditches, culverts, landscaping, etc., so as not to obstruct the District's easements, and so that flows of normal or seasonal floodwaters do not damage roadways, easements, etc., where District infrastructure may be located and damaged due to constant pooling of water or other hazardous materials.
 - E. Customers shall seek District approval when extra heavy equipment (cranes, cement mixers, etc.) is to be moved over areas where infrastructure is buried.
 - F. Customers shall not dig near District mains, valves, Sewer lines, equipment, or facilities before notifying the District through the "Blue Stake" notification process to mark approximate locations of such assets.
 - G. Each Customer shall immediately notify the Board of any system leaks, equipment failure, or damage to meter boxes, meters or the infrastructure belonging to the District.
 - H. The Customer is fully responsible for payment for all damages to District property on the Customer's premises unless such damage was caused by the District or its representatives.
 - I. Customers shall not use the District's water meter as a "turn-on/turn-off" device except in the case of emergencies. Customer shut-off valves located downstream in a separate box from the meter should be used.

- J. When, at the request of a Customer, a meter, main, or Sewer line location is changed for any reason, the Customer shall pay for all costs, fees, labor and plumbing necessary for relocating or replacing the infrastructure. The Customer shall also provide the District with new or amended easements conforming to the changes, in accordance with Section 3.4.

5.3. Access.

- A. Duly authorized representatives of the District (including voluntary labor) shall have access to the premises of Customers and Property Owners, for the purposes of installing or removing District property, inspecting piping, reading or testing meters, and for any other purpose in connection with the District's Services and facilities.
- B. Access for construction and for monthly meter readings shall be during daylight hours.
- C. Customers shall provide 24 hour per day access to authorized District representatives on their private Property for the purpose of leak detection and infrastructure failure. Emergency operations to save water losses may occur in the middle of the night or during periods of time inconvenient to Customers.

5.4. Customer Water Lines and Equipment.

- A. The District shall extend Service connections to the edge of the Customer's property at sites that are convenient to the District for meter reading purposes and Sewer connections. Piping on the Customer's premises must be so arranged that the connections are conveniently located with respect to the District's lines, mains, meters, and points of connection to the Sewer.
- B. The Customer shall furnish and maintain a high quality private shut-off valve and approved back-flow prevention device on the Customer's side of the meter and within 18 inches of the water meter box. A suitable and separate valve box, accessible to the District at all times, shall be provided and installed by the Customer to enclose this valve and back-flow prevention device.
- C. Service may be refused or terminated if Customers do not properly protect their outside service lines, interior building lines, hose bibs, etc., against freezing, since unprotected lines that are left pressurized can cause major losses of water affecting service to other Customers.
- D. Each Customer's water piping, fixtures, and equipment on their side of the water meter, and their grinder pumps, Sewer lines, etc. from the edge of the Customer's property line to the structure shall be installed and maintained by the Customer at the Customer's expense, in excellent condition and a safe and efficient manner, in accordance with the District's Rules, and in full compliance with all laws and regulations of all governing Federal, State, County, and local agencies.
- E. Customers shall take full responsibility for the inspection, maintenance and repair of Customer owned piping, fixtures and equipment. The District will not make any repairs on the Customer's side of the water

meter or beyond the Customer's property line for Sewer connections unless damages are caused by the District's infrastructure or authorized representatives.

5.5. Indemnification.

- A. Acceptance of water and Sewer Service from the District indicates the agreement of the Customer and Property Owner with these Rules, and the agreement of each of them to indemnify the District for any damages to District assets, infrastructure or facilities caused by the activities of the Customer or the Property Owner.
- B. The Customer and the Property Owner shall jointly and severally indemnify and hold the District, and its Board members and representatives (including volunteer labor) harmless from any loss or damage to the property of the District, or any accident or injury to persons or property (except for any damage caused by the gross negligence of a representative of the District) that occurs on the Customer's property, or that was caused by the Customer or the Property Owner. The cost of necessary repairs or replacements of District assets located on private property shall be paid to the District by the Customer or Property Owner, and any liability otherwise resulting shall be borne by the Customer and the Property Owner. The amount of such loss or damage, or the cost of repairs, shall be added to Customer's next bill; however, if the amount is over \$200, it shall be paid to the District within seven (7) days.

6. **DISTRICT AUTHORITY, RIGHTS, AND OBLIGATIONS:**

6.1. Water Quality/Wastewater Control and Safety/Equipment Maintenance.

- A. The District shall provide water quality equal to standards minimally required by the Arizona Department of Environmental Quality.
- B. The District shall refuse or terminate water service if a Customer's water service lines and piping are installed or maintained in such a manner as to permit cross connections with private wells or other potentially contaminated water sources, or if proper back-flow prevention devices are not installed within 18 inches of the District's meter and in a separate service box. Additionally, all sprinkler or outside irrigation systems shall have secondary back-flow prevention devices installed to protect individual homes and the overall water supply system.
- C. The District shall use commercially reasonable efforts to maintain and utilize Wastewater processing and treatment equipment, procedures, chemicals, and materials to meet effluent water quality, odors, sound, and safety equal to standards maintained by the Arizona Department of Environmental Quality. Evaporation and percolation ponds shall also be maintained to meet applicable State and Federal standards.
- D. The District shall maintain all its equipment and infrastructure in good working order so high service reliability can be maintained and minimal costs can be incurred in the long-run.

6.2. Water Pressure.

- A. The District shall use commercially reasonable efforts to provide water pressure equal to minimum standards generally imposed by the Arizona Corporation Commission on regulated utilities.
- B. If homes or water service structures are built close to booster stations or above gravity feed tanks such that water pressure is normally less than required when the tank is 25% full, the Customer agrees to provide a temperature protected location with adequate power to house a district supplied and installed booster pump to serve that location.

6.3. Emergencies and Interruption of Service.

- A. The District shall, under normal circumstances, attempt to notify Customers of any anticipated interruption of service. To facilitate such notification, Customers are encouraged to provide updated emergency contact information and e-mail addresses to the District's office.
- B. The District has the authority to institute water conservation plans, drought plans, meter installation moratoriums, water delivery surcharges in cases of trucked in water, Sewer hookup moratoriums, etc., and other emergency operational plans that result from droughts, lack of water production, infrastructure problems, equipment failures, water quality issues, etc. Such actions may limit or restrict use of water resources or Sewer facilities.
- C. The District has the authority to institute rules and regulations related to materials, chemicals, etc. that Customers may place in the Wastewater system that may negatively affect the Wastewater treatment process or efficiencies.
- D. The District shall allow the local fire department or the Forest Service to access reasonable amounts of potable water for fire protection of District and non-District properties or the National Forest, although a minimum of 25% of water storage capacity shall always be maintained to protect the real property within the District.

6.4. Advice. The District may, upon request from a Customer or Property Owner, offer only reasonable limited information and advice on any water or Sewer problem which could adversely affect the District or other Customers or Property Owners.

6.5. Operations.

- A. All operational and accounting records of the District shall be maintained in accordance with applicable laws and generally accepted procedures for utility operations.
- B. The Board shall maintain written District Bylaws that inform the public how the Board will carry out its responsibilities and authorities.
- C. All Board of Director meetings shall be held in accordance with applicable Arizona open meeting laws. All District activities shall be carried out under written Bylaws periodically adopted by the Board.
- D. The District shall maintain a website to display documents, announce meetings, and record decisions made.

6.6. Limitations on Liability.

- A. The District shall not be responsible or liable for the actions or negligence of Customers or other third parties or forces beyond its control resulting in any interruption of Service or for any damage or claim of damage attributable to any interruption or termination of Service. As examples, and without limiting the scope of the first sentence of this Section 6.6, this limitation of liability shall include any cause against which the District could or could not have reasonably foreseen or made provision for, and for any Service interruptions required to minimize potential water quality problems, water outages, illicit discharges of Wastewater, or to make repairs necessary to minimize the possibility of damage to Customer or District equipment, or for the safety of operational personnel.
- B. The District will use commercially reasonable efforts to avoid damage or destruction of landscaping and improvements on the property of Customers and Property Owners. However, except in the case of gross negligence by the District or its representatives, the District will not be liable for any damage to the property of a Customer or Property Owner within the easements granted to the District, or within the usual and customary boundaries of the types of easements required by Section 3.4 of these Rules.

6.7. Termination of Service. The District may terminate its Service to a Customer, temporarily or permanently, after a two hour notice period where practicable:

- A. To prevent fraud or abuse.
- B. To stop flows of water to parcels other than the Property intended to be served by a given meter or Sewer line.
- C. In cases of willful disregard of, or refusal to comply with, these Rules or any special rules adopted in emergencies, including required water conservation measures or drought planning policies.
- D. To make scheduled or emergency repairs to infrastructure or equipment.
- E. To disable meters where there has been unauthorized turn-on of meters; Customer tampering with meters, measuring devices, or other assets of the District; or other activities disruptive to District operations.
- F. To conserve resources in periods of insufficient water supply.
- G. To comply with government processes, injunctions, regulations or orders legally served on or applicable to the District.
- H. In cases of an insufficient water supply, including prohibitive economic conditions, due to circumstances beyond the District's control.
- I. To protect public health and welfare in cases of fires, floods, accidents, terror threats, riots or other endangerment.

6.8. Meter Removal. The Customer may, at its option, have a meter removed at any time in order to not be subject to the base monthly fee. The Customer shall allow the District thirty (30) days to remove the meter. However, if a meter is removed, the Customer in the future shall be subject to meter installation charges and fees as outlined in the Rate and Fee Schedule adopted from time to time. Any time a

meter is left connected to the system, even if shut off, the base monthly fee will apply as a "user availability" charge.

- 6.9. Enforcement. The District may in its discretion take any and all action at law or in equity to legally pursue its rights and remedies for any delinquent amounts owed to the District, and for any violations of these Rules. The Property Owner and Customer shall be jointly and severally liable for all legal fees and expenses incurred by the District in enforcing its rights under these Rules.

7. **RATES AND FEES:**

- 7.1. Base Monthly Charges. Rates and fees for water and Wastewater Services are periodically established by the Board after a public hearing noticed to the Customers and Property Owners has occurred. A Rate Schedule is published and available along with the Rules by contacting the District at its phone, e-mail, website, or mailing address. The District shall provide all new Customers with copies of the current Rate Schedule and Rules upon receipt of an application for service.
- 7.2. Other Fees and Charges: In addition to base monthly charges, taxes, assessments, and late fees, the District may charge the amounts shown in the Rate Schedule for any other equitable fees for account establishment, meter installation or re-installation, meter removal and test, turn-off or turn-on, meter re-reads, Sewer connections, installation inspections, not sufficient funds checks, etc., as specified in required public rate hearings.
- 7.3. Major Project Interconnection Charges: Additional fees and costs may be incurred if major project Interconnection Policies adopted by the Board for undeveloped multi-family and commercial tracts, etc., are applicable.
- 7.4. Initiation of Billings for Water, Sewer, Connection Charges, and Fees.
- A. Rate Schedule water charges for services commence upon installation and turn-on of the water meter, whether the water is used or not. Meter use during construction is subject to full charges as specified in the Rate Schedule. Monthly Wastewater charges begin when the Sewer line is connected and approved by the District's operators.
 - B. Water meters turned on or off or transferred between meter readings shall be subject to all fees and charges in the then effective Rate Schedule on a pro-rata basis for the month in which the turn-on, turn-off, or transfer occurs.
 - C. The minimum monthly base fee, as provided in the Rate Schedule, shall be levied for each water meter installed or Sewer connection, regardless of location. Additional fees will be charged as provided in the Rate Schedule for water used in excess of the amount covered by the base fee. Readings from more than one water meter may not be combined for billing purposes.
 - D. If a Customer has a mysterious loss or accidental use of water that results in a water bill of over \$1,000 for excess water use over the gallons allowed with the base monthly fee, the Customer shall, up to once every three years, be granted a credit to their account for all amounts over \$1,000 charged for excess gallons used.

- 7.5. Assessments. The District reserves the right to impose a reserve assessment not to exceed the amount shown on the Rate Schedule for major system repairs or abnormal expenses, for current or anticipated needs not covered by the ordinary income of the District. The District will not make a reserve assessment more frequently than once in any twelve (12) month period. To the extent reasonably possible, the District will give Property Owners and Customers advance notice of any required reserve assessment to be paid, and permit payment of the reserve assessment in installments agreed to by the Board.
- 7.6. Real Property Taxes. The District reserves the right to have the County Treasurer levy real property taxes on all Property located within the District as allowed by Arizona Revised Statutes.
- 7.7. Other Taxes. In addition to the collection of regular rates, fees, assessments, or property taxes, the District may collect from the Customer a proportionate share of any privilege, sales or use tax, or similar tax, imposed on gross Customer revenue received by the District.

8. METER READINGS, BILLINGS AND COLLECTIONS:

- 8.1. Water bills shall be computed in accordance with the District's Rate Schedule on the basis of the minimum monthly charge, plus any additional commodity charge for water used between the previous and the current meter readings, plus any fees for other services. To cover continuing fixed costs and "ready to serve" obligations of the District, all water meters and Sewer connections to the system, where improvements are on the property, continue to have base monthly charges applied to the account, even if no water is used or the meter is shut off.
- 8.2. Wastewater fees that are combined with the water bills are generally a flat amount per month, but can be charged on any other equitable basis as periodically determined during annual budget and rate hearings.
- 8.3. Except for major water losses as indicated in Section 7.4D, the Customer is fully responsible for the security of and payment for all water that flows through the Customer's meter, whether the water is put to beneficial use, goes to waste, flows through broken pipes or stuck toilets, is stolen, or is consumed by malicious mischief, etc.
- 8.4. Water meters normally will be read between the twenty-fifth (25th) and the last day of each month, depending on weather and holiday schedules. Bills are dated the last day of the month and will be rendered to the Customers within the first five (5) days of the next month. Bills are due by the 25th day of the month following the date of the bill.
- 8.5. Delinquencies.
- A. Bills that are unpaid beyond the twenty-fifth (25th) day of the next month after they are dated are delinquent and subject to a late fee as specified in the Rate and Fee Schedule periodically adopted by the District. .
 - B. All unpaid delinquent amounts due and owing to the District as of the 26th of each month shall bear monthly interest (the late fee) up to ten percent (10%) of the total unpaid amount owing (including previous unpaid late fees), but not less than fifteen Dollars (\$15.00), as periodically indicated in the Rate Schedule.

- C. The interest percentage and minimum amount of the late fee indicated in the Rate and Fee Schedule are subject to periodic change by the District.
 - D. Thirty (30) days after the delinquent date, the District may, at its option and upon ten (10) days notice to the Property Owner and Customer, terminate Service on the delinquent account. Water meters are not to be normally shut off for Properties using water each month until a standard series of delinquency letters has been sent, with a final turn-off date clearly noticed.
 - E. Water meters are not to be shut off or removed from homes apparently unoccupied, abandoned, in foreclosure, etc. until the District receives an official request from the owner to have the water turned off or the meter removed. To cover continuing fixed costs and "ready to serve" obligations of the District, all meters connected to the system continue to have the base monthly charge applied to the account, even if no water is used. To stop monthly bills for water and Wastewater, the customer may have the water meter removed, subject to reconnection charges as indicated in the Rate Schedule.
 - F. Services terminated for delinquent payments will be restored only after all amounts due are paid in full. Turn-off and turn-on fees, as specified in the Rate Schedule, will apply to delinquent payment situations where termination and return of service has occurred.
 - G. Ninety (90) days after the delinquent date of an account, the District will send a formal payment demand letter to the Customer and Property Owner. After another 30 days, the District may file a utility lien, as allowed under Arizona Revised Statutes, against the Property for all unpaid amounts due and owing to the District, including late charges, filing fees, and incurred legal fees. After a lien is filed by the District, the monthly base charges and all applicable fees will continue as an availability fee, and the interest rate (late charge) will be reduced to a maximum of 2% per month as indicated in the Rate Schedule.
- 8.6. Advance payments may be made by the Customer. The District will not pay interest on advance payments.
- 8.7. Contact Information.
- A. Customers and Property Owners shall promptly inform the District in writing of any change in their billing address and other contact information. Any written communication sent by the District to Customers and Property Owners at the most recent billing address they have provided to the District in writing shall be deemed sufficiently delivered for all purposes.
 - B. Failure of the Customer to receive bills or notices from the District shall not prevent such bills from becoming delinquent, nor relieve the Customer of their obligations to make timely payments to the District.
 - C. Customers should provide their current telephone number(s) and any email addresses to the District for emergency contact purposes and for the District to notify Customers and Property Owners of meetings, etc.

8.8. Estimated Billings.

- A. The District reserves the right to estimate water bills when inclement weather prevents the reading of meters.
- B. If the seal of a water meter is broken by someone other than a District representative, or if a meter is broken, the Customer shall pay a service amount reasonably estimated by the District from the record of the Customer's previous billings.
- C. If a meter fails to register or stops for any cause for which the Customer is not responsible, the next monthly bill may be estimated by the District. Thereafter, the Customer shall be billed at the regular monthly minimum charge until the meter is repaired or replaced by the District.
- D. Appropriate adjustments for over or under estimating will be made at the next actual meter reading and billing cycle. The District will not refund any over-payments, but continue to apply such amounts to the Customer's account.

8.9. Billing Errors.

- A. If a Customer believes a bill to be in error, the Customer must present the claim to the District within ten (10) days of the billing date. Any claim not asserted within ten (10) days shall be deemed waived, and bills not objected to within ten (10) days will be deemed conclusively correct.
- B. The District will make special water meter readings at the request of a Customer for the fee specified in the Rate Schedule. If such special reading discloses that the meter was miss-read, no charge for the special reading shall be made.
- C. Water meters will be tested for accuracy at the request of a Customer upon pre-payment to the District of the actual cost of performing the test. If the meter is found to over-register beyond 3% of the correct volume, charges for the test will be refunded. The proper correction for the amount of the error (less three percent (3%) for permitted variances) shall be made on the previous readings back to either (i) the specific date the error started, if the date can be ascertained, but not back to more than three (3) months immediately preceding the test; or (ii) if no date can be ascertained, for the previous three (3) months immediately preceding the test.
- D. All corrected amounts shall be credited on the next bill to the Customer. No refund or credit will be made by the District to anyone other than the Customer last served by the meter prior to the testing. The District will not refund any over-payment, but continue to apply such amounts to the Customer's account.

9. TRANSFERS:

- 9.1. Notice of a Transfer signed by both the former Property Owner and the new Property Owner must be given to the District in person or in writing within ten (10) days after the Transfer. Any water utility liens must be paid in full prior to the close of any transfers or sales.

- 9.2. The new Property Owner must file an application for water and Wastewater Services with the District, pay all required fees, and provide any easements required by Section 3.4 of these Rules. The District may reject the application for (a) any of the reasons specified in Section 3.5, or (b) if the former Property Owner has not paid all amounts due and owing to the District.
- 9.3. If the meter has not been turned off, the new Property Owner will only be charged the Transfer Fee (which includes a Special Meter Reading fee) specified in the Rate Schedule. If the meter has been turned off at the request of the former Property Owner, the new Property Owner will also have to pay the turn-on fee specified in the Rate Schedule.
- 9.4. All listed Property Owners on the County Assessor's records shall be responsible for all water consumed and all charges and fees assessed with respect to the property until either (i) the former Property Owner has the meter turned off and pays the turn-off fee specified in the Rate Schedule and all other amounts then due and owing to the District; or (ii) the new Property Owner pays the Transfer Fee and all other balances due as specified in the Rate Schedule and the District approves the application of the new Property Owner and transfers the account for that parcel to the new Property Owner.

10. **MISCELLANEOUS:**

- 10.1. Superseding Laws. If anything in these Rules is determined to be contrary to applicable State, County, Federal or local laws or ordinances, the laws or ordinances shall take precedence and control, while the remaining provisions of these Rules shall remain in full force and effect.
- 10.2. Amendments. No amendments, changes, additions or deletions of these Rules shall be made by the Board except in properly noticed public meetings to all Property Owners and Customers, or under an emergency. Such meeting notifications and agendas shall allow reasonable time for objection and suggestion from Property Owners and Customers to be considered by the Board. All decisions by the Board shall be final.
- 10.3. Variances. No promise, agreement, or representation of any officer, employee or agent of the District, nor any variation in the application of these Rules, shall be binding on the District unless it has been agreed upon in writing and approved by the Board.
- 10.4. Non-Discrimination. These Rules shall be applied to Property Owners and Customers on a non-discriminatory basis.

**Pine Creek Canyon Domestic Water Improvement District
Water and Wastewater Rate And Fee Schedule**

Effective July 1, 2017

TERMS:

- Billing for month occurs as of the last day of the month
- Payments due the 25th day of the following month
- Late Fees will be charged after the due date
- Customer is responsible for payment of all charges by the due date even if a bill is not received via US Mail
- Base charges for water and sewer will be applied to all lots with installed water meters and grinder pumps
- Rates and fees are subject to change by Board action at any time

WATER FEES:

Base Monthly Fee for up to 999 gallons	\$47.91
Commodity Charge per gallon for water served in excess of the base 999 gallons:	
First 5,000 excess gallons	\$4.00 per 1,000 gallons
Next 5,000 excess gallons	\$8.00 per 1,000 gallons
Next 5,000 excess gallons	\$12.00 per 1,000 gallons
Additional excess gallons	\$16.00 per 1,000 gallons
Account Establishment Fee -- Water	\$150
Meter Installation -- to edge of property, including customer shut off valve:	\$3,800
Meter Re-Installation -- for meter removed at customer's request	\$1,500
Meter Removal and Test -- for a meter removed at the request of the customer to be tested for accuracy to be "\$50 plus actual charge for the operator and test facility" if found to be within 3% of the correct reading	
Turn-off -- due to delinquency or at customer request	\$50
Turn-on -- at customer request or after delinquency (after payment of all late charges and accumulated monthly charges and fees):	\$100
Meter Re-read at request of customer -- if District was correct:	\$50
Security Deposit for non owners and renters:	\$400

*Water for non-residential uses (road construction, soil compaction, dust control, etc.) and for assistance of other water short customers or communities may be made available by the Board of Directors at negotiated bulk prices, but may be restricted depending on drought and aquifer conditions.

(over)

**Pine Creek Canyon Domestic Water Improvement District
Water and Wastewater Rate And Fee Schedule**

Effective July 1, 2017

WASTEWATER:

Base Monthly Fee	\$56.25
Account Establishment Fee -- Wastewater	\$150.00
Grinder Pump -- assessed upon application for Gila County building permit -- contractor/homeowner pays for grinder pump and installation -- includes two inspections;	\$4,700.00
Additional Grinder Pump Inspections -- more than twice:	\$75.00
Corrective Hookup of Grinder Pumps by District -- after three inspections:	\$75.00/hour plus parts

OTHER FEES:

Late Fees -- payments received after due date: **\$15 minimum or 10% of the TOTAL** outstanding balance of the account at each month end for a period of four months of delinquency, at which time a lien is filed on the property. Thereafter a later fee of 2% will be charged on the outstanding balance at the end of each monthly billing period. If after four months, the account balance exceeds the lien amount or if a reasonable payment plan is not agreed to by the District Manager, the water meter will be shut off (NOTE: Monthly charges based on the rate schedule will continue as long as a water meter is connected to the property).

NSF Checks: \$75.00

Applicable Sales, Privileged, and Use Taxes: Added to monthly invoice

Assessments: Upon special needs established by the Board of Directors

**PINE CREEK CANYON
DOMESTIC WATER IMPROVEMENT DISTRICT
INTERCONNECTION PROCESS**

Adopted 4-15-06 and Revised 12-20-14

The Pine Creek Canyon Domestic Water Improvement District Interconnection Process (the "Interconnection Process") establishes the requirements for expansion of the infrastructure to provide service to additional customers of the Pine Creek Canyon Domestic Water Improvement District (the "District") that occupy undeveloped tracts of land other than existing subdivided lots designated on the original subdivision plats.

District Objectives

- Compliance with all statutory requirements.
- Providing service to residential and commercial customers within the District.
- Ensuring that costs associated with adding new customers, including capital improvement and ongoing operating and maintenance costs, will not be borne by existing customers. All costs associated with connection to and expansion of the infrastructure shall be borne by new customers.
- Ensuring that service reliability will not be adversely impacted by adding new customers.

Interconnection Process

The interconnection process is comprised of four phases; (i) interconnection study, (ii) interconnection agreement, (iii) infrastructure design and construction, and (iv) infrastructure inspection and turnover to the District.

Interconnection Study

The interconnection study phase determines the impact of the interconnection on the District in terms of technical expansion requirements, costs associated with the expansion, changes to operating and maintenance requirements, and associated impact on the rate structure. Steps include:

- The prospective interconnector (the "Interconnector") submits an interconnect request to the District. The interconnect request shall include a water/wastewater master plan (the "Master Plan") that shows the size and approximate locations of the water distribution facilities, wastewater collection facilities, and off-site facilities such as, wells, storage, pumping, treatment, water distribution, wastewater collection, and/or related facilities and appurtenances (the "Infrastructure") required to provide adequate District services for the benefit of Interconnector. The interconnect request shall also include detailed usage requirements along with the basis for establishing these requirements.

- The District determines the cost associated with conducting a study to determine the technical requirements of the Infrastructure, costs associated with the expansion, changes to the District's operating and maintenance requirements, and associated impact on the District's rate structure (together the "Interconnection Study").
- The costs of the Interconnection Study are presented to Interconnector by the District.
- Should Interconnector elect to proceed, the non-refundable costs for the Interconnection Study shall be paid in full to the District by Interconnector prior to the District beginning the Interconnection Study. Should Interconnector decide not to proceed, no further action will be undertaken by the District to provide service to Interconnector.
- Upon payment in full for the cost of the Interconnection Study, the District will, at its sole discretion, select a service provider to perform the Interconnection Study.
- The Interconnection Study shall define technical Infrastructure expansion requirements and associated costs, including, but not limited to, additional wells; additional storage capacity; expansion of the wastewater treatment plant, piping, control and monitoring systems, primary and backup power requirements, spare parts and equipment; performance testing; warranties; and additional property needed by the District as well as additional District overhead costs, including District engineering support, legal, training, administrative, and quality control costs. In order to ensure adequate future reliability of service, the Infrastructure shall be designed with excess capacity equal to (a) one-half gallon for every gallon of water demanded and (b) one-half gallon for every gallon of wastewater produced.
- The Interconnection study shall also determine changes to the District's operating and maintenance requirements and associated impact on the District's rate structure. User fees charged by the District are based on proportionate shares of the District's cost of operating, maintaining, and replacing the District's systems, and may include the cost of administrators, surveyors, sanitation experts, engineers, legal counsel, and other persons as are reasonably necessary for the operation maintenance and replacement of the District's systems. The fees may also include any contractual amounts required to meet covenants relating to bonds or other obligations of the District secured by a pledge of, or promise to pay from the District's fees.
- The Interconnection Study will be presented to Interconnector.
- Should Interconnector not accept the Interconnection Study and the findings therein and agree to implement the recommendations included in the Interconnection Study within 30 calendar days of receipt thereof, no further action will be undertaken by the District to provide service to Interconnector.

Interconnection Agreement

In the event Interconnector accepts and agrees to implement the findings and recommendations of the Interconnection Study within 30 calendar days of receipt thereof, the District will develop an interconnection agreement that establishes the terms under which the District will provide services to Interconnector (the "Interconnection Agreement"). All expenses incurred by the District to develop the Interconnection Agreement shall be borne by Interconnector as they are expended by the District. The Interconnection Agreement will include, but not be limited to, the following terms:

- Interconnector shall design, construct, and install, or cause to be designed, constructed, and/or installed, the Infrastructure as detailed in the Master Plan and included in the required Infrastructure construction documents prepared by Interconnector's engineer and approved by the District. Interconnector shall pay all of the costs of the designing, constructing, installing, and connecting the Infrastructure, including, but not limited to, the costs of engineering, materials, labor, transportation, equipment, necessary permits and approvals, easements, inspections, project coordination, testing, corrections, insurance, and bonds.
- Interconnector shall schedule completion of the Infrastructure construction so as to allow the District to provide District services included in the Interconnection Agreement as such services are requested.
- Upon requesting water or wastewater service, Interconnector shall submit a cash payment as specified by the District's then current service and meter installation tariff for each water meter or sewer connection to be installed by the District. Water meters and sewer connections will be installed and service will be initiated by the District upon Interconnector's request.
- Interconnector shall obtain, at its sole cost, all necessary designs, permits, zoning, easements, and other governmental approvals in advance of construction of the Infrastructure.
- Interconnector shall, at no cost to the District and before commencement of construction, grant or cause to be granted to the District perpetual non-exclusive rights-of-way and/or easements for any Infrastructure constructed pursuant to the Interconnection Agreement

Infrastructure Design and Construction

- The Interconnector shall design the Infrastructure and develop the necessary construction plans and specifications (collectively, the "Plans and Specifications") as well as the required quality control process to be used to ensure quality of construction.

- All Plans and Specifications, construction, and installation of the Infrastructure shall be in accordance with good utility practices; the rules, regulations, and requirements of the Arizona Department of Environmental Quality ("ADEQ"); the District's specifications and details; and the requirements of all other governmental agencies having jurisdiction over the Infrastructure.
- Interconnector shall submit the Plans and Specifications to the District for review and approval, along with any associated preliminary plats, final plats, address maps, projected home closings by quarter, and other items reasonably requested by the District. The District shall provide a written response related to its review of the Plans and Specifications, including any review comments, within 30 days of receipt thereof by the District. The cost of the District's initial, and any additional, review(s) will be the sole expense of the Interconnector.
- Construction of the Infrastructure shall not commence until the Plans and Specifications have been approved in writing by the District.
- Any applications to governmental agencies (i.e., the Approval to Construct required by ADEQ) must be pre-approved by the District prior to submission.
- Prior to the commencement of construction of the Infrastructure, Interconnector shall comply with the insurance requirements set forth on Exhibit "A" and shall cause all third-party contractors, subcontractors, consultants and sub-consultants engaged by Interconnector to comply with such requirements.
- Prior to the commencement of construction of the Infrastructure, Interconnector shall guarantee Interconnector's performance under the Interconnection Agreement by providing the District with the following security instruments (the "Security Instruments") on forms approved by the District for the purposes and in the amounts as follows:
 - a Faithful Performance Bond to ensure faithful performance of the Interconnection Agreement in regard to the Infrastructure in the amount of 110% of the estimated cost of construction of the Infrastructure; and
 - a Labor and Materials Bond to secure payment to any contractor, subcontractor, consultant, sub-consultant, persons renting equipment or furnishing labor or materials for the Infrastructure required to be constructed or installed pursuant to the Interconnection Agreement in the additional amount of 110% of the estimated cost of construction of the Infrastructure.

The District shall release the Faithful Performance Bond upon (i) Interconnector's written request and following acceptance by the District of the Infrastructure and (ii) Interconnector's delivery to the District of the Warranty Bond for the Infrastructure as defined below.

The District shall release the Labor and Materials Bond upon (i) Interconnector's written request and following acceptance by the District of the Infrastructure and (ii) after the expiration of the time within which lien claims are required to be made. If lien claims have been timely filed, the District shall hold the Labor and Materials Bond until (i) such claims have been resolved, (ii) Interconnector has provided a statutory bond or (iii) otherwise required by applicable law.

- The District will select a quality control supervisor at its sole discretion to inspect the progress of construction. The cost of the quality control supervisor will be the sole expense of the Interconnector.

Infrastructure Inspection and Turnover to the District

- Upon completion of construction of the Infrastructure, Interconnector shall submit a certificate of compliance with the design and construction requirements ("Certificate of Compliance") to the District. The District or its agent will meet with Interconnector to inspect and test the Infrastructure and to develop a punch list of items to be completed by Interconnector. If the Infrastructure meets the performance testing requirements, the District will assume the operation and maintenance of the Infrastructure. No Infrastructure may be placed into service until the Infrastructure has been inspected by the District, ADEQ has issued its Approval of Construction, and the District has issued its provisional acceptance of the Infrastructure, which provisional acceptance shall be issued within 30 days of completion of construction, provided (i) Interconnector has made all required submittals, (ii) Interconnector has completed construction and testing of the Infrastructure, and (iii) said submittals and construction are in accordance with reasonable utility standards.
- Upon provisional acceptance by the District, the Security Instruments will be reduced to 125% of the estimated costs to resolve all punch list items. Until all punch list items are completed, Interconnector shall reimburse the District for all operation and maintenance costs.
- Upon the District's written provisional acceptance, the Infrastructure shall become and remain the sole property of the District without the requirement of any written document of transfer to the District. However, Interconnector shall furnish any document pertaining to ownership and title as may be requested by the District, including documents evidencing or confirming transfer of ownership to the District, and good and merchantable title free and clear of liens, or which contain provisions for satisfaction of liens against the Interconnector.
- Within 15 days of Interconnector's correction of all outstanding punch list items and providing clear title documents, the District shall issue Interconnector final written acceptance of the Infrastructure.

- In order to guarantee and warranty the Infrastructure and in addition to the Security Instruments referenced above, Interconnector shall provide to the District the following additional Security Instruments:
 - Prior to the District's final acceptance of the Infrastructure, Interconnector shall provide to the District a "Warranty Bond" for the Infrastructure for a period of two (2) years following said acceptance against any defective work of labor done or defective material furnished. The amount of such Warranty Bond for the Infrastructure shall be equal to twenty-five percent (25%) of the estimated construction cost of the Infrastructure.
 - The District shall release the Warranty Bond for the Infrastructure upon Interconnector's written request following expiration of the warranty period, provided no claims are outstanding at that time regarding defective work.
- Interconnector shall promptly correct all defects and deficiencies in construction, materials, and workmanship upon request by the District made subsequent to inspection by the District and for two (2) years following the District's written final acceptance of the Infrastructure in accordance with the terms of the Interconnection Agreement.

APPROVED AS AMENDED AND ADOPTED by
 The Board of Directors of the Pine Creek Canyon
 Domestic Water Improvement District at the
 Meeting on April 15, 2006 and the meeting of
 December 20, 2014.

PINE CREEK CANYON DOMESTIC WATER IMPROVEMENT DISTRICT
PO Box 945, Pine, AZ 85544

NOTICE AND AGENDA OF REGULAR MEETING
OF THE BOARD OF DIRECTORS

Date and Time:
Saturday, December 16, 2017 at 9:00 AM

Place: Pine-Strawberry Fire Department Training Room, 6198 W. Hardscrabble Road, Pine, Arizona 85544

Teleconference Number: 1-877-594-8353, Participant Passcode 20932491#

Phone in participants will be placed on hold listening to music until the Chairperson joins the meeting

The Pine Creek Canyon Domestic Water Improvement District will meet in a Regular Session on the date and time above. The meetings will be held at the above indicated address of the Fire Department. The Board may vote to go into executive session on any agenda item, pursuant to A.R.S. § 38-431.03(A)(3) for legal advice with the District's attorney on matters as set forth in the agenda item. Board Members or other participants may attend by telephonic conference at the numbers indicated above. The following topics and any variables thereto, will be subject to Board consideration, discussion, approval, or other action. All items are set for possible action.

1. CALL TO ORDER
2. ROLL CALL OF BOARD MEMBERS/DECLARATION OF QUORUM
3. CALL FOR MOTION TO APPROVE MINUTES OF THE FOLLOWING MEETING(S):
September 16, 2017
December 2, 2017
4. CALL TO THE PUBLIC FOR INPUT ON SCHEDULED AGENDA TOPICS
(see footnote below regarding procedures)
5. REPORTS
 - a. Treasurer's Report
 - i. Balance Sheet
 - ii. Revenues and Expenses
 - iii. Budget vs. Actual Comparison
 - iv. Check Registers/Cash Disbursements for last three months (vote of Board required)
 - v. Future possible levels of property taxes
 - b. District Manager's Report
 - i. Depth to Water in Wells
 - ii. Water Usage
 - iii. Review of ADEQ Inspections of the Wastewater and Water Systems and the Aquifer Protection Permit.

PINE CREEK CANYON DOMESTIC WATER IMPROVEMENT DISTRICT
PO Box 945, Pine, AZ 85544

NOTICE AND AGENDA OF REGULAR MEETING
OF THE BOARD OF DIRECTORS

Date and Time:
Saturday, December 16, 2017 at 9:00 AM

- iv. PRV Upgrade Project Status
 - v. Status of Elk Rim (B-1 B-2) Development
6. DISCUSS AND TAKE POSSIBLE ACTION RELATED TO THE acceptance of the CPA Review report dated June, 30, 2017.
7. DISCUSS AND TAKE POSSIBLE ACTION RELATED TO THE District Board ratifying past actions and approving future actions of the District Manager for executing required documents related to the Elk Rim (Tract B-1 and B-2) Developer's subdivision activity (the "Project"), as outlined in the Developer's Interconnection Process Application, including:
- Executing the will-serve letter and related documents committing the District to provide water and wastewater services for the Project.
 - Approving, along with the District's engineers, the Developer's plans and specifications for construction of the Project.
 - Executing the Professional Services Agreements with Tetra Tech Engineering to provide services to the District relating to plans, documents certifying adequacy of the existing and future sewer and water infrastructure, including adequacy of water supply so the project can materialize be approved by various regulatory authorities.
 - Engaging Ryley Carlock and Applewhite to provide necessary legal services for the Board related to the Project as required by the District's Interconnection Process.
 - Executing the State and County applications and supporting documents related to the adequacy of the current and new additions to the wastewater collection system, the wastewater treatment system, the water lines, and the water resources.
 - Executing the agreement with the Developer to extend and existing water line easement several hundred feet to Highway 87 in exchange for the district paying 5/23 and the Developer paying 18/23 of the cost of a new Pressure control system (PRVs, vault, isolation valves, and associate piping) near the entry to the Project's private roadway.
 - Execution of other necessary documents generally associated with similar projects.
8. DISCUSS AND TAKE POSSIBLE ACTION RELATED TO authorizing the District Manager, Board Chairman, and Board Treasurer to begin negotiations for the bulk sale of water to other water purveyors that may approach PCCDWID.
9. DISCUSS AND TAKE POSSIBLE ACTION RELATED TO accepting the written resignation of Jim Cleary as of December 16, 2017 and appointing a replacement Board member with a term expiring on 12-31-22, and for the Board

PINE CREEK CANYON DOMESTIC WATER IMPROVEMENT DISTRICT
PO Box 945, Pine, AZ 85544

NOTICE AND AGENDA OF REGULAR MEETING
OF THE BOARD OF DIRECTORS

Date and Time:

Saturday, December 16, 2017 at 9:00 AM

to direct the District Manager to have the new member complete the Oath of Office form and other paperwork necessary to be seated on the Board at the next scheduled meeting.

10. DISCUSS AND TAKE POSSIBLE ACTION RELATED TO electing a Secretary to replace the officer position held by Mr. Cleary and for the new Secretary of the Board to be authorized to sign on all District bank accounts.
11. CALL TO THE PUBLIC FOR ANY NON-AGENDA ITEMS RELATED TO DISTRICT AFFAIRS (see footnote below regarding procedures).
12. CONFIRM ESTABLISHED DATE AND DESIRED TOPICS FOR THE NEXT BOARD OF DIRECTOR'S MEETING scheduled as a regular meeting on March 17, 2017.
13. MOTION TO ADJOURN.

CALL TO THE PUBLIC: Those wishing to address the District during the meeting for issues within the Board's jurisdiction need not request permission in advance, but they should indicate their desire to address the Board on the sign-in guest register provided. During this meeting, the Board is permitted to discuss and possibly take action for public comments related to topics listed on this agenda. Because of the restrictions of the open meeting laws, the PCCDWID Board is not permitted to discuss, or take action on any item raised in the call to the public that are not on this agenda; however, individual Board members may respond to criticism directed to them. Otherwise, for topics not on this agenda, the Board may direct that staff review the matter or that the matter be placed on a future agenda. The Chairman of the meeting may limit the number and length of public comments in order to maintain a reasonable meeting schedule.

PERSONS WITH DISABILITIES: If any disabled person needs any type of accommodation, please notify the PCCDWID prior to the schedule meeting time. 928-476-2260.

PINE CREEK CANYON DOMESTIC WATER IMPROVEMENT DISTRICT
PO Box 945, Pine, AZ 85544

NOTICE AND AGENDA OF REGULAR MEETING
OF THE BOARD OF DIRECTORS

Date and Time:
Saturday, December 16, 2017 at 9:00 AM

EXECUTIVE SESSIONS: After voting to do so, the Board may go into executive session at any time during this scheduled meeting for consideration of items included on the above agenda if the topics to be discussed meet the requirements of ARS 38.431.02 (a), (1), (3) and/or (5). Additionally, the Board may, during this meeting call for an executive session to be held at a future time after this meeting. Per ARS 38.431.03, executive sessions are closed to the public and only the following seven category topics are permitted to be discussed: 1) Personnel Matters; 2) Discussion of Confidential Records; 3) Legal Advice from attorney; 4) Litigation, Contract Negotiations, and Settlement Discussions with attorney; 5) Discussions with designated Representatives Regarding Salary Negotiations; 6) International, Interstate and Tribal Negotiations; and 7) Purchase, Sale or Lease of Real Property.

By: _____ Acting for the Board of Directors

Posted as of: _____ @ _____ M.

MINUTES
PINE CREEK CANYON DOMESTIC WATER IMPROVEMENT DISTRICT
PO Box 945, Pine, AZ 855
December 16, 2017

Regular Meeting
Date: Saturday,
December 16, 2017
Place: Pine Strawberry Fire Dept. 6306 W. Hardscrabble Mesa Rd.
Pine, Arizona 85544
For conference call-in
Teleconference Number 1-877-594-8353, Participant Passcode 20932491#
Phone in participants will be placed on hold listening to music until the
Chairperson joins the meeting
Time: 9:00 AM

DRAFT
Until approved at a future meeting

1. CALL ORDER

The meeting was called to order at 9:05 AM by Chairman Allan Johnson.

2. ROLL CALL OF BOARD MEMBERS/DECLARATION OF QUORUM

Present - Jim Crews, Allan Johnson, Jim Cleary, Bill McClung and Dave Karr.

Others Present: Harry Jones, District Manager, Pat Watson, Admin. Asst., Robert Langley, Barbara Howe, Tom and Judy Naylor, Residents.

A quorum is declared.

3. CALL FOR MOTION TO APPROVE MINUTES OF THE FOLLOWING MEETING HELD ON September 16, 2017.

Mr. Crews moved to accept the Minutes of the September 16, 2017 Regular Meeting. Mr. McClung seconded. Roll Call: Mr. Crews, Dr. Johnson, Mr. Cleary, Mr. Karr and Mr. McClung. All say Aye. None say Nay. Motion Passed.

The approval of the minutes for December 2, 2017 will be an Agenda item at the March 17, 2018 meeting since the copy of the draft minutes was not included in the Board Book.

4. CALL TO THE PUBLIC FOR INPUT ON SCHEDULED AGENDA TOPICS.

There was no public input.

5. REPORTS

a. Treasurer's Report

i. Balance Sheet

Mr. Crews reported our cash position is good at five months into the fiscal year.

ii. Revenues and Expenses

Mr. Crews reported operation revenues are right on budget and expenses are under budget.

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iii. Budget vs. Actual Comparison

Revenues are about on budget and Expenses are about \$10K under budget. Mr. Jones commented the ADEQ required testing fees were over budget about \$700 due to certain MAP testing occurring earlier in the year than expected.

iv. Check Registers/Cash Disbursements for last three months (vote of Board required)

Mr. Cleary moved to accept the check register. Mr. Crews seconded. All vote Aye, None vote Nay. Motion Passed.

v. Future possible levels of property taxes:

Mr. Crews explained the need for the pressure reducing valve repairs. This capitol project on the 22 year old system was expected to require \$250,000. The District had cash at the time of approximately \$100,000. In order to generate revenue for this immediate need project and the Board not knowing whether the District could qualify for a new loan, the Property Tax Levy had to be raised. Mr. Crews mention this action was discussed at several prior Board of Directors Meetings and also presented at an HOA meeting.

The possible reduction of the Property Tax Levy will be discussed at the time the budget for the next fiscal year takes place in April and May of 2018. To complete the PRV repairs the District raised the hook-up fees for new construction and also borrowed money from WIFA on a twenty year loan at just above 2.0% interest..

Mr. Karr asked about the remaining valves that need to be replaced. Mr. Jones explained that the remaining repairs would require blacktop replacement and could not be done until warm weather next spring. Parts have been paid for and are on site.

b. District Manager's Report

i. Depth to water in wells

Mr. Jones reported the static water levels on both wells are in line with expectation in comparison to past years.

ii. Water Usage

Usage is in line with expectation for the shallow well and the deep well is in line with the highly reliable deep aquifer. Both wells are being used alternately.

The question was asked if there is a backflow valve on all homes to prevent household and yard water from coming back into the system. The answer is that is required on all homes.

iii. Review of ADEQ Inspections of the Wastewater and Water Systems and the Aquifer Protection Permit:

Consumer Confidence Report is completed each year. The testing showed no failures on the test in the past year.

Inspection – Drinking Water – Full inspection showed no deficiencies. Also the investigation of a customer complaint showed no deficiencies.

The PCCDWID Operators are Certified per the requirements of ADEQ for water distribution and treatment.

ADEQ found no deficiency on a complaint about odor at the wastewater treatment plant.

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The Aquifer Protection Permit also in compliance and was approved in 1998 to use ultra violet light process for wastewater effluent treatment. The District, however, has been using Chlorine for the same treatment for over 10 years and during two prior ADEQ inspections. The old UV System was rehabilitated for \$1,306 and the System is now using both treatment processes so the treatment process matches the requirements of the original aquifer protection permit.

iv. **PRV Upgrade Project Status**

The pressure reduction of all homes has been completed. However, there are three more replacements of isolation valves to do in the spring.

There have been two issues with low pressure that are being addressed by the Manager so as to provide more satisfactory service.

WIFA Financing – The budget shows \$18,000 remain to be used to complete the project in the spring.

iv. **Status of Elk Rim (B-1 B-2) Development**

The developers were supposed to go for final project approval at the Board of Supervisors meeting on December 19, 2017, however it has been moved to January 9, 2018 for final approval

6. **DISCUSS AND TAKE POSSIBLE ACTION RELATED TO THE** acceptance of the CPA Review report dated June, 30, 2017.

Mr. Crews moved to accept the HeinfeldMeech Review for the Fiscal Year ending June 30, 2017. Mr. McClung seconded. Mr. Crews, Mr. Karr, Dr. Johnson, and Mr. McClung all say Aye. None say Nay. (Mr. Cleary had stepped out of the room and did not vote.)

7. **DISCUSS AND TAKE POSSIBLE ACTION RELATED TO THE** District Board ratifying past actions and approving future actions of the District Manager for executing required documents related to the Elk Rim (Tract B-1 and B-2) Developer's subdivision activity (the "Project"), as outlined in the Developer's Interconnection Process Application, including:

--Executing the will-serve letter and related documents committing the District to provide water and wastewater services for the Project.

--Approving, along with the District's engineers, the Developer's plans and specifications for construction of the Project.

--Executing the Professional Services Agreements with Tetra Tech Engineering to provide services to the District relating to plans, documents certifying adequacy of the existing and future sewer and water infrastructure, including adequacy of water supply so the project can materialize be approved by various regulatory authorities.

--Engaging Ryley Carlock and Applewhite to provide necessary legal services for the Board related to the Project as required by the District's Interconnection Process.

--Executing the State and County applications and supporting documents related to the adequacy of the current and new additions to the wastewater collection system, the wastewater treatment system, the water lines, and the water resources.

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--Executing the agreement with the Developer to extend an existing water line easement several hundred feet to Highway 87 in exchange for the district paying 5/23 and the Developer paying 18/23 of the cost of a new Pressure control system (PRVs, vault, isolation valves, and associated piping) near the entry to the Project's private roadway.

--Execution of other necessary documents generally associated with similar projects.

Mr. Crews moved to ratify the past actions of the District Manager in executing required documents related to B-1 and B-2 as outlined above. Mr. McClung seconded. All say Aye. None say Nay. Motion Approved.

8. **DISCUSS AND TAKE POSSIBLE ACTION RELATED TO** authorizing the District Manager, Board Chairman, and Board Treasurer to begin negotiations for the bulk sale of water to other water purveyors that may approach PCCDWID.

Mr. Jones, District Manager had a call regarding the purchase of water by Pine-Strawberry Water District which wanted to meet after January 1, 2018 to discuss the possibility.

Mr. Crews stated any purchaser would have to come get the water (hook into the system). The Board Members commented they will need to make various decisions regarding charges for water and methods of distribution.

Mr. McClune moved to authorize the District Manager, the Board Chairman and the Board Treasurer to begin negotiations for the bulk sale of water to other water purveyors that may approach PCCDWID.

9. **DISCUSS AND TAKE POSSIBLE ACTION RELATED TO** accepting the written resignation of Jim Cleary as of December 16, 2017 and appointing a replacement Board member with a term expiring on 12-31-20, and for the Board to direct the District Manager to have the new member complete the Oath of Office form and other paperwork necessary to be seated on the Board at the next scheduled meeting.

Mr. Crews made the motion to accept Mr. Cleary's resignation as of December 16, 2017. Mr. Karr seconded. Mr. Crews, Dr. Johnson, Mr. Karr and Mr. McClung all say Aye. None say Nay. Motion passed. Mr. Cleary will provide a second more explicit written resignation to Mr. Jones, District Manager immediately after the meeting.

Mr. Langley spoke to the Board regarding his qualifications to become a part of the PCCDWID Board of Directors. Mr. McClung moved to accept Mr. Langley onto the Board with his term expiring on December 31, 2020. Mr. Crews seconded. Mr. Karr, Dr. Johnson, Mr. Crews and Mr. McClung all vote Aye. None vote Nay. Motion is approved.

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10. **DISCUSS AND TAKE POSSIBLE ACTION RELATED TO** electing a Secretary to replace the officer position held by Mr. Cleary and for the new Secretary of the Board to be authorized to sign on all District bank accounts.
Mr. Crews moved to nominate Mr. McClung as Secretary to the Board of Directors. Mr. Karr seconded. All vote Aye. None vote Nay. Motion is approved.
11. **CALL TO THE PUBLIC FOR NON-AGENDA ITEMS RELATED TO DISTRICT AFFAIRS**
(see footnote below regarding procedures)
None requested.
12. **CONFIRM ESTABLISHED DATE AND DESIRED TOPICS FOR THE NEXT BOARD OF DIRECTOR'S MEETING.**
The next regular meeting will be March 17, 2018 at 9:00 AM.
13. **MOTION TO ADJOURN.**
Mr. Crews moved to adjourn the meeting. Mr. Karr seconded. All say Aye. None Say Nay. The meeting adjourned at 10:59 AM

Submitted By: Harry D. Jones, District Manager

Irrevocable Standby Letter Of Credit

Number: IS000008752U
Issue Date: November 27, 2017

BENEFICIARY

GILA COUNTY AND/OR GILA
COMMUNITY DEVELOPMENT
745 N. ROSE MOFFORD WAY
GLOBE, AZ 85501
(928) 402-8512

APPLICANT

BROOKFIELD ASCENT AT PINE, LLC
3550 N. CENTRAL AVENUE, STE #1101
PHOENIX, AZ 85012
(602) 265-4400

LETTER OF CREDIT ISSUE AMOUNT USD 285,000.00 Expiry Date January 2019

Ladies and Gentlemen:

WE HEREBY OPEN OUR IRREVOCABLE LETTER OF CREDIT IN YOUR FAVOR FOR THE ACCOUNT OF THE ABOVE REFERENCED APPLICANT IN THE AGGREGATE AMOUNT OF USD 285,000.00 (TWO HUNDRED EIGHTY FIVE THOUSAND AND NO/100 U.S. DOLLARS) WHICH IS AVAILABLE BY PAYMENT UPON PRESENTATION OF THE FOLLOWING DOCUMENTS:

1. A DRAFT DRAWN ON US AT SIGHT MARKED "DRAWN UNDER WELLS FARGO BANK, N.A. STANDBY LETTER OF CREDIT NO. 1S000008752U."
2. THE ORIGINAL LETTER OF CREDIT AND ANY AMENDMENTS ATTACHED THERETO.
3. A DATED STATEMENT ISSUED ON THE LETTERHEAD OF THE BENEFICIARY AND PURPORTEDLY SIGNED BY AN AUTHORIZED REPRESENTATIVE STATING: THAT "FUNDS ARE NEEDED TO COMPLETE THE IMPROVEMENTS ON PROPERTY DESCRIBED AS: BROOKFIELD ASCENT AT PINE, LLC AT 3550 N. CENTRAL AVENUE, STE #1101, PHOENIX, AZ 85012." WE THEREFORE DEMAND PAYMENT IN THE AMOUNT OF USD 285,000.00 (TWO HUNDRED EIGHTY FIVE THOUSAND AND NO/100 U.S.DOLLARS) AS SAME IS DUE AND OWING.

THE REQUEST FOR PAYMENT UNDER THIS LETTER OF CREDIT SHALL BE FINAL AND CONCLUSIVE FOR ALL PURPOSES WITHOUT VERIFICATION OF WELLS FARGO BANK, N.A. AND SHALL NOT BE SUBJECT TO REFUTATION, DENIAL OR CONTEST.

THIS LETTER OF CREDIT SHALL BE AUTOMATICALLY EXTENDED FOR ADDITIONAL PERIODS OF ONE YEAR FROM THE PRESENT OR EACH EXPIRATION DATE UNLESS AT LEAST (30) CALENDAR DAYS PRIOR TO SUCH ANNIVERSARY DATE WE NOTIFY YOU

IN WRITING BY REGISTERED MAIL (RETURN RECEIPT REQUESTED) OR OVERNIGHT COURIER THAT WE ELECT NOT TO SO EXTEND THIS CREDIT. THIS STANDBY LETTER OF CREDIT SHALL NOT BE EXTENDED BEYOND 01/14/2021 WHICH WILL BE CONSIDERED THE FINAL EXPIRATION DATE. ANY REFERENCE TO A FINAL EXPIRATION DATE DOES NOT IMPLY THAT WELLS FARGO BANK, N.A. IS OBLIGATED TO EXTEND THIS CREDIT BEYOND THE INITIAL EXPIRY DATE OR ANY EXTENDED DATE THEREOF. UPON RECEIPT BY YOU OF SUCH NOTICE, YOU MAY ELECT TO DRAW HEREUNDER UP TO THE AGGREGATE OUTSTANDING BALANCE.

EXCEPT SO FAR AS OTHERWISE EXPRESSLY STATED, THIS IRREVOCABLE LETTER OF CREDIT IS SUBJECT TO THE "UNIFORM CUSTOMS AND PRACTICE FOR DOCUMENTARY CREDITS (2007 REVISION), INTERNATIONAL CHAMBER OF COMMERCE BROCHURE NO. 600."

Very Truly Yours,

WELLS FARGO BANK, N.A.

By: _____
Authorized Signature

The original of the Letter of Credit contains an embossed seal over the Authorized Signature.

Please direct any written correspondence or inquiries regarding this Letter of Credit, always quoting our reference number, to **Wells Fargo Bank, National Association**, Attn: U.S. Standby Trade Services

at either

794 Davis Street, 2nd Floor
MAC A0283-023,
San Leandro, CA 94577-6922

or

401 N. Research Pkwy, 1st Floor
MAC D4004-017,
WINSTON-SALEM, NC 27101-4157

WHEN RECORDED, RETURN TO James Menlove, County Manager, 1400 E. Ash Street. Globe, AZ 85501. 928-402-4257

AGREEMENT TO CONSTRUCT ELK RIM SUBDIVISION IMPROVEMENTS

Elk Rim Subdivision, Pine Arizona

This Agreement is made and entered into as of the (date of recording the final plat), by and between Woodshire at Elk Rim, LLC, an Arizona Limited Liability Company ("Developer"), and Gila County, an Arizona Municipal Corporation ("County"), (collectively, the "Parties").

BACKGROUND

- A. Developer intends to subdivide and develop the property located in Pine, Arizona, as described in Exhibit A (the "Property"), identified as Woodshire at Elk Rim Subdivision (the "Subdivision").
- B. The improvements to be constructed are described in Exhibit B ("the Improvements"). Construction of the Improvements is to be assured to the County as provided in Paragraph 8 of this Agreement.
- C. The Parties wish to establish specific terms, conditions, and guidelines to provide for assurances for the completion of the required improvements of the Subdivision in compliance with the provisions of A.R.S. § 9-463.01(C)(8) and Gila County Development codes.
- D. Gila County seeks to protect the health, safety, and general welfare of the community by requiring the completion of various improvements in the Subdivision and thereby to limit the harmful effects of substandard subdivision.

AGREEMENT

NOW, THEREFORE, based on the foregoing and in consideration of the County approving the Final Plat (Elk Rim Subdivision Plat") for the Property, the Parties agree as follows:

- 1. Construction of Subdivision Improvements. Developer hereby agrees to construct and install, at its own expense, all subdivision improvements for the Property, as described in Exhibit B. Developer's obligation to complete the Improvements will arise upon recordation of the Final Plat for the Elk Rim Subdivision and prior to issuance of any permits to begin construction. The Developer's obligation to complete the Improvements is independent of any obligations of the Gila County contained herein and is not conditioned on the sale of any lots or improvement within the development.
- 2. Existing Utilities. Any relocation or modification of existing utilities or public improvements to construct the Improvements shall be done at no expense to the public.
- 3. Assurance of Construction. This Agreement is submitted as an assurance that Developer will construct the Improvements as required by A.R.S. § 9-463.01(C)(8) and the Gila County Building Codes.
- 4. Start of Construction. Developer shall begin construction of the Improvements within six (6) months

of the Recording of the Final Plat, and will diligently pursue completion of the Improvements. Developer's failure to do substantial work on the Improvements for a period of sixty (60) consecutive calendar days shall be presumptive evidence that Developer is failing to diligently pursue construction of the Improvements, and shall constitute a default under this Agreement.

5. Completion of Improvements. The Developer shall complete the Improvements not more than one (1) year after recording the final Plat. The Improvements shall not be considered completed unless and until the Improvements have been completed in accordance with all County regulations and all applicable plans which have been approved by Gila County, and after the Gila County Public Works has inspected the Improvements for compliance with the plans and regulations and has accepted the Improvements in accordance with Paragraph 6. The period for completion of the Improvements may be extended for good cause shown at the discretion of the Planning Director.

6. Approval of Improvements. Gila County shall not accept the Improvements or maintenance responsibility for the Improvements, nor shall the Improvements be deemed approved until all the following have occurred:

- (a) The Improvements have been completed in accordance with Paragraph 5.
- (b) The Improvements have been inspected by Gila County Public Works and Gila County Planning and Development Director, or his nominee, in accordance with the Subdivision Plat or separate instrument.
- (c) Any easements or right of way conveyances required in the development agreement have been recorded.
- (d) Gila County Public Works and Gila County Planning has acted to approve the Improvements as built. The Parties anticipate that each portion of the Improvements will be given a preliminary approval by the County or its inspector; however, the Parties understand and acknowledge that no such preliminary approval shall be effective as a final approval until all final approvals have been given by the County. The Parties further understand that it shall be the sole responsibility of Developer to repair any Improvements which are damaged, fall into disrepair, or are defective prior to acceptance of such Improvements by the County and/or the termination of the warranty period provided for in Paragraph 7 "Warranty".
- (e) The County shall not give final approval for the Improvements nor shall such Improvements be deemed approved until Developer provides a title report demonstrating that there are no construction liens on the Property.

7. Warranty. The Developer warrants that the Improvements will be free from defects as constructed and shall warrant same for a period of two years from completion.

8. Security.

- (a) To secure performance of its obligations to construct the Improvements under this Agreement, Developer shall establish an escrow account (the "Escrow Account") with Pioneer Title

Agency in Payson, Arizona (the "Escrow Agent"), and upon final County Approvals of the Project and recordation of the final plat, **Developer shall hand the sum of two hundred and eighty-seven thousand, one hundred and forty-two dollars (\$287,142.00) in cash or certified check to the Gila County Manager to be deposited immediately with the Escrow Agent named in attachment C below, which is the amount equal to the engineer's estimate, accepted by Gila County's Public Works Director, of total costs to perform Developer's obligations for Improvements as set forth in Exhibit B to be constructed under this Agreement plus an additional ten percent (10%) of such sum for contingency.**

(b) The Escrow Agent shall disburse monies from the Escrow Account to cover the costs of constructing and installing the Improvements in the Subdivision in conformity with this Agreement. Such funds shall be disbursed in accordance with and signatures for release by both: the approvals of and direction of the Developer for release of funds to pay for such improvements, and also, upon concurrent prior approval of and signature of the Gila County Manager's office, which approval shall not be unreasonably withheld. The County shall agree to disbursal of such funds as are reasonable and necessary to construct and install the Improvements as provided in this Agreement. Developer agrees that if this Agreement is terminated for any reason before the completion of all Improvements required under this Agreement, Developer agrees all remaining funds shall be available to Javelina Shy, LLC as co-obligee under this agreement for the completion of the required work.

(c) To further secure performance of its obligations under this Agreement, and to provide for the acceptability of the Improvements constructed hereunder, Developer agrees to perform all work in a timely manner but, in any case, within one (1) year from the date of recording the final plat.

(d) Developer and County agree this fund shall be used exclusively to complete the infra structure improvements contained in the attached final plat.

(e) The additional ten percent (10%) or other remaining funds provided for in this Paragraph shall be released from commitment upon the final release of assurances by the County and returned to Developer in a timely manner.

9. Retention. At the sole request of the Developer, Gila County may cause to be retained 10% of the construction invoices to assure compliance by a contractor with that contractor's responsibilities.

10. Gila County Option Upon Default. If Developer materially defaults on its obligations under this Agreement, in addition to any other remedies, the County shall notice Javelina Sky, LLC who may initiate a process to complete the work using Developers escrow funds remaining. However, that prior to initiating any action to the County shall give forty-five (45) days' first-class mailed notice to Developer at its last known address on file with the County and, if different, also to the known place of business for Developer on file with the Arizona Corporation Commission at the time of the notice. Developer shall have an opportunity to cure any such defaults within such period. In addition, if Developer materially defaults on its obligations under this Agreement and, after notice, Javelina Sky, LLC fails to complete the work, and opportunity to cure defaults as provided in this paragraph, the County may then make claim against the security under Paragraph 8 and use said funds to complete construction of the Improvements. The County shall have the sole discretion in determining a material default under this Agreement, which discretion the County may exercise in any manner that is fair and reasonable under the circumstances.

11. Termination. This Agreement shall remain in full force and effect until one of the following has occurred:

- a) All the Improvements have been completed and approved by the Gila County Manager's Office.
- b) The Developer has paid all fees for final approvals from Public Works and Gila Planning and Development Office.
- c) The Final Subdivision Plat has been recorded for the Property in compliance with all applicable laws and regulations.

12. Binding Effect. This Agreement shall be binding upon the Parties and their respective successors and assigns.

13. Severability. If any portion of this Agreement is found to be invalid, such finding will not affect the validity of the remainder of this Agreement.

14. No Waiver. No waiver of any provision of this Agreement shall be deemed or constitute a waiver of any other provision, nor shall it be deemed to be a continuing waiver unless expressly provided for by a written amendment to this Agreement signed by the Parties.

15. Notice. The Developer agrees to provide written notice to Gila County, within ten (10) days of the occurrence of (1) a change of name, corporate identity, or address of the Developer; (2) intent to transfer, or transfer of title to the Property by deed, or transfer of title to the Property by deed, contract, or operation of law, except in the case of the sale of Units to third party home buyers in the ordinary course of business; (3) the foreclosure of a lien against the Property or a portion of the Property; (4) the filing of a voluntary or involuntary petition of bankruptcy respecting the Developer; (5) any other event that may materially affect performance of the Parties under this Agreement.

16. Address of the Parties for Notices:

Developer:
Woodshire at Elk Rim, LLC

Gila County:
Gila County Managers Office

Javelina Sky Development, LLC, owner
PO Box 1195, Pine AZ 85544

17. Date of Agreement. The date of this Agreement shall be the date of the signature of the last Party to sign this Agreement.
18. Controlling Law. This Agreement shall be governed in accordance with the laws of the State of Arizona.
19. Authority. The Parties acknowledge that each is fully authorized and empowered to execute this Agreement by and through the individual(s) executing hereinafter.
20. Further Documents. The Parties shall execute and deliver all such documents and perform all such acts as reasonably necessary or required to carry out the matters contemplated by this Agreement.
21. Representations. The Parties acknowledge that each has been, or has had an opportunity to be, represented by counsel. This Agreement is the result of negotiation between the Parties and their respective attorneys, and the terms, conditions, and provisions of this Agreement shall be construed in a fair and even manner regardless of which Party drafted this Agreement.
22. Counterparts. This Agreement may be executed in one or more counterparts.
23. Date of Performance. If this Agreement provides that any time period expires or date for performance specified in this Agreement falls on a non-business day (a Saturday, Sunday, or legal holiday recognized by Gila County), such time period or performance deadline shall be extended to the County's next business day. Except as may otherwise be set forth herein, any performance shall be timely made and completed no later than 5:00 p.m. (Payson time) on the date the performance is due.
24. Complete Agreement. This Agreement and additional written agreements described herein, if any, contain and set forth the entire Agreement and understanding between the Parties hereto pertaining to the subject matter of this Agreement.
25. Modification. This Agreement may not be modified without the prior written consent of the Parties.
26. Dispute Resolution.
- (a) This Contract shall be governed and construed in accordance with the laws of the State of Arizona.
 - (b) With the written consent of the Parties, any dispute, controversy, claim, or cause of action arising out of or related to this Contract may be settled by submission to binding arbitration in accordance with the rules of the American Arbitration Association and the Arizona Uniform Arbitration Act, A.R.S. § 12-1501, et seq.
 - (c) The venue for any such dispute shall be Gila County, Arizona.
 - (d) Neither Party shall be entitled to recover from the other Party any of its attorneys' fees, costs, or expert witness fees incurred in any such dispute, controversy, claim, or cause of action. Each party shall bear its own attorneys' fees without contribution from the other party.

27. Cancellation. This Agreement is subject to the provisions of A.R.S. § 38-511, which provide for cancelation of contracts by the municipality for certain conflicts of interest.
28. Business License. The Developer shall provide Gila County with a copy of its business license.
29. Authorized Presence Requirements/Government Procurement (A.R.S. §41-4401),
- (a) Contractor and any Subcontractor employed by Contractor warrants their compliance with all Federal immigration laws and regulations that relate to their employees and with Arizona Revised Statutes § 23-214(A).
 - (b) A breach of the warranty under Subsection (a) above shall be deemed a material breach of this Contract and shall be subject to penalties up to and including termination of the Contract.
 - (c) The County retains the legal right to inspect the papers of the Contractor or Subcontractor who works on this Contract to ensure that the Contractor and any Subcontractor are complying with Subsection (a) above.
30. No Third-Party Beneficiaries. No term or provision of this Agreement is intended to be for the benefit of any person or entity not a party to this Agreement.

IN WITNESS WHEREOF, the Parties hereto have executed this Agreement as of the date first above mentioned.

Gila County,
an Arizona Municipal Corporation

Woodshire at Elk Rim, LLC,
an Arizona Limited Liability Company

By James Menlove, Its County Manager

By Phil Petersen, its Managing Member

NOTARY SEAL:

EXHIBIT A
LEGAL DESCRIPTION

LOT 1 REPLAT OF TRACT B PORTAL PINE CREEK CYN UNIT 4 PER PLAT 729 A & B;W1/2 SEC 25 & E1/2 SEC 26 T12N R8E;=2.00 AC M/L(OUT OF 301- 69-183)

LOT 2 TRACT B PORTAL PINE CREEK CYN UNIT 4 PER PLAT 729A & B;W1/2 SEC 25 & E1/2 SEC 26 T12N R8E;=2.00 AC M/L(OUT OF 301-69-183)

EXHIBIT B
IMPROVEMENTS

Those improvements as shown on the "Civil Improvement Plans for Elk Rim
Subdivision," and approved by the Public Works Director.

COUNTY TO ATTACH APPROVED PUBLIC WORKS PAGES

EXHIBIT C

AGENCY AGREEMENT

This Agreement has been entered into by and between Woodshire at Elk Rim LLC and Gila County hereinafter referred to as the Principal, and Pioneer Title Agency, Inc., hereinafter referred to as the Custodian, on the Cash Escrow Account referenced in the "Agreement to Construct Elk Rim Subdivision Improvements".

RECITALS:

The Principal desires to employ the Custodian to act as a depository of monies to be placed with the Custodian by the Principal from time to time for the purpose of disbursing to contractors, subcontractors, mechanics, and materialmen, who may do work, or provide materials in the improvement or development work (the "Improvements") on certain premises described as the Elk Rim subdivision situated in the unincorporated area of Gila County, hereinafter referred to as "Pine", State of Arizona, described as (the "Property"), (see Legal Description Exhibit A attached), all in accordance with certain contracts and agreements which are now or shall be hereafter entered into by the Principal, or its duly authorized agents, for that purpose.

The Custodian desires to act in that capacity in being the custodian of any and all funds deposited

with it by the Principal for the general purpose immediately outlined above, and for the disbursement of such funds as it may be directed to do from time to time by the Principal or its duly authorized agents, in furtherance of that purpose.

It is the intention of the Principal and the Custodian in entering into this Agreement that any contractors, subcontractors, mechanics, or materialmen concerned with the construction of the Improvements shall not be construed or considered to be a third party beneficiary, either incidentally or directly to this Agreement.

The Improvements which are subject to this Agreement are those improvements shown on the "Elk Rim Subdivision Improvements Plans", as approved by the Public Works Director (See attached Exhibit B).

Now therefore, in consideration of the mutual covenants and agreements contained herein, it is agreed by and between the parties hereto, and only the parties hereto as follows:

AGREEMENTS:

The Principal shall deposit with the Custodian the total accumulative sum of \$287,142 which is the maximum proposed amount to be expended by the Principal from the custodial account herein provided for and created, together with any additional sums as may be required in the future for the completion of the Improvements upon the Property. The total sum shall be paid over to the Custodian in whole. As an integral part of the Agency Agreement the Principal has and will submit to the Custodian certain documents and instructions to be utilized in the disbursement of funds as contemplated by this Agreement. The following shall constitute the basic documents to be submitted by the Principal in this connection:

Executed copies of all contracts and agreements between the Principal and/or its duly authorized agents, and those persons or entities furnishing labor or materials, and/or doing the work on the improvements to the Property.

An executed copy of the original of any evidence of authority given by the Principal to any of its agents appointed to direct disbursements from the custodial funds created hereby.

Any and all instructions which, from time to time, may be relative to the disbursement or remittance by the Principal.

It is the express agreement of the Principal and the Custodian that the funds actually held by the Custodian from time to time in accordance herewith and none other, shall constitute a fund for the payment of costs of the Improvements to the Property, together with the payment of any and all fees due to the Custodian for the performance of its services hereunder.

Principal shall submit to Pioneer Title Agency, Inc., as Custodian, any and all documents pertaining to contracts and agreements between the Principal and those parties who would provide services or

materials in connection with the Improvements contemplated on the Property and to further direct disbursements from the custodial fund created hereby for the purpose of paying such suppliers or labor and/or material in performance of such work. The Custodian is hereby authorized to rely on the written authorization of the Principal in the disbursing of funds from the custodial fund during the work in progress as contemplated by this Agreement; provided, however, that the Custodian shall not disburse any funds relating to the Improvements until a written approval for such disbursement has been received from an authorized representative of Gila County as provided in that Agreement to Construct Subdivision Improvements between the Principal and Gila County (the "Improvement Construction Agreement").

The Custodian hereunder shall receive a duly executed lien waiver or receipt acceptable to it in the case of each party to whom a disbursement is authorized to be made. It is expressly understood and agreed by the parties hereto, however, that the Custodian shall have no responsibility or obligation to make an inspection of the Property upon which the work is to be accomplished or the supplies to be delivered, prior to such disbursement, and shall be entitled to rely specifically upon the authorization of the Principal for such disbursement. The Custodian is expressly relieved of any and all responsibilities in connection with the Agreement and any disbursements made hereunder, save and except the duty and responsibility to disburse in accordance with the instruction of the Designated Agent with the exception of the ultimate responsibility of acting as a depository for the funds deposited with it under the terms of this Agreement.

It is understood and agreed upon, that all monies on deposit with the Custodian shall be the property of the Principal until such time as disbursements are made therefrom in accordance with this Agreement, except only as the County shall have the ability to use such funds in accordance with the default provision of the Improvement Construction Agreement.

The Principal hereby indemnifies the Custodian against all costs, damages, expenses and liability which the custodian may incur or sustain in connection with complying with this Agreement or as a result of any court action arising therefrom. If conflicting demands are made upon the Custodian as to any monies at any time held by it as Custodian hereunder, the Custodian may hold said monies or any documents pertaining thereto until the rights of the parties are determined by an appropriate court of law, or the Custodian may interplead any and all documents held by it hereunder, pending the outcome of such litigation in which even the Custodian shall be relieved of any and all liability to the Principal hereunder.

The fee to be paid Custodian by Principal in carrying out this Agreement is the file Escrow Fee based upon the amount of the total funds required to complete the Improvements and said fee shall be advanced with the initial disbursement.

This Agreement and the right of the parties hereto shall be governed by and construed in accordance with the internal laws of the State of Arizona without regard to conflicts of law principles.

The parties acknowledge and warrant that each of them is fully authorized and empowered to execute

this Agreement by and through the individuals executing hereinafter.

Each of the parties acknowledges and warrants that it has been, or has had an opportunity to be represented by independent counsel. This Agreement is the result of negotiation between the parties and their respective attorney, and the terms, conditions and provisions of this Agreement shall be construed in a fair and even manner regardless of the party who drafted this Agreement or any provision or portion thereof.

This Agreement may be executed in one or more counterparts. Each executed counterpart shall for all purposes be deemed an original, but all of which together shall constitute in the aggregate but one and the same instrument. The signature pages from one or more counterparts may be removed therefrom and attached to one or more duplicate agreements containing all original signatures.

This Agreement and additional written agreements described herein, if any contain and set forth the entire and exclusive Agreement and understanding between the parties hereto pertaining to the subject matter or rather reflect the reasonable expectations of the parties hereto. This Agreement may not be rescinded, cancelled, terminated, supplemented, amended or modified in any way whatsoever without the prior written consent of all parties to this Agreement.

This Agreement shall be binding upon and shall inure to the benefit of the representatives, successors, and assigns of the parties hereto; provided, however, that neither party shall assign any of its rights or obligations under this Agreement without the written consent of the other party hereto.

In witness hereof, this Agreement has been entered into on the date first above written.

PRINCIPAL:

Signatures upon approval of this agreement

Berumen, Therese C

From: Gould, Robert
Sent: Tuesday, October 10, 2017 10:32 AM
To: Berumen, Therese C
Subject: FW: Elk Rim
Attachments: DEST9369.pdf

Therese make sure a copy of Public Works final approval email gets into the subdivision file and transmitted to the BOS agenda when we are ready.

Bob G

From: Sanders, Steve
Sent: Tuesday, October 10, 2017 8:53 AM
To: Ralph Bossert (rbossert1109@gmail.com); Buzan, Scott; Gould, Robert
Cc: Guerena, Mark; Warren, Scott; Deroulhac, Darde
Subject: FW: Elk Rim

Ralph,

I appreciate you revising the road grade on Elk Rim Court to meet Gila County Roadway Design Standard Guidelines.

Scott and Bob,

With this revision Gila County Public Works concerns have been addressed.

Steve Sanders
Director
Gila County Public Works
745 N. Rose Mofford Way
Globe, AZ. 85501
Phone (928) 402-8530
FAX (928) 402-4255

From: Ralph Bossert [<mailto:rbossert1109@gmail.com>]
Sent: Monday, October 09, 2017 2:59 PM
To: Sanders, Steve <ssanders@gilacountyaz.gov>
Subject: FW: Elk Rim

Steve:

Attached is the Plan and Profile for Elk Rim Court with the profile grade revised to 10%.

Thank you,

Ralph O. Bossert, P.E., R.L.S.
Verde Engineering Group, PLLC
1109 North McLane Road
Payson, AZ 85541
(928) 978-4345

Elk Rim
Cost Estimate
Project No. 17-04
January 9, 2018

No.	Description	Quantity	Unit	Unit Cost	Total Cost
A) Paving					
1	Clearing and Grubbing	1	L.S.	\$2,000	\$2,000
2	Excavation (cut)	750	C.Y.	\$15	\$11,250
3	Subgrade Prep	2,683	S.Y.	\$3	\$8,049
4	2" AC Pavement	295	TON	\$90	\$26,550
5	10" ABC	746	C.Y.	\$30	\$22,380
6	Sawcut, Tack & Join	135	L.F.	\$5	\$675
7	Remove AC Pavement	29	S.Y.	\$4	\$116
A) Sub-Total Paving					\$71,020
B) Drainage					
1	18" Storm Drain	50	L.F.	\$40	\$2,000
2	Rip Rap Slope Protection d50=6"	25	C.Y.	\$100	\$2,500
3	Rock Swale d50=6"	92	C.Y.	\$100	\$9,200
4	Rip Rap Splash Pad	2	C.Y.	\$100	\$200
5	Headwall, Type "L", M.A.G. 501-1	1	EA.	\$2,500	\$2,500
6	Headwall, "U" Type, M.A.G. 501-5	3	EA.	\$2,500	\$7,500
7	Retaining Wall	1,380	S.F.	\$20	\$27,600
B) Sub-Total Drainage					\$51,500
C) Water Distribution					
1	2" PVC Water Main	468	L.F.	\$25	\$11,700
2	6" PVC Water Main	90	L.F.	\$30	\$2,700
3	6" D.I.P. Water Main	60	L.F.	\$50	\$3,000
4	8" PVC Water Main	12	L.F.	\$50	\$600
5	2" Valve, Box & Cover	2	EA.	\$400	\$800
6	6" Valve, Box & Cover	2	EA.	\$1,200	\$2,400
7	8" Valve, Box & Cover w/ Meg-A-Lug Restraint	1	EA.	\$1,500	\$1,500
8	8" x 6" Tee w/ Meg-A-Lug Restraint	2	EA.	\$500	\$1,000
9	2" x 2" Tee	1	EA.	\$250	\$250
10	2" Tap, Valve, Box & Cover	1	EA.	\$400	\$400
11	6" x 6" Tapping Sleeve, Valve, Box & Cover	1	EA.	\$2,500	\$2,500
12	2" X 45° Bend	2	EA.	\$250	\$500
13	2" X 90° Bend	1	EA.	\$250	\$250
14	6" X 90° Bend	2	EA.	\$500	\$1,000
15	6" Fire Hydrant (Complete)	1	EA.	\$4,000	\$4,000
16	Blow Off Assembly	2	EA.	\$1,000	\$2,000
17	Pressure Reducing Valve & Vault	1	EA.	\$25,000	\$25,000
18	Double Water Service	9	EA.	\$800	\$7,200
19	Remove 2.5" Bend	1	EA.	\$200	\$200
C) Sub-Total Water Distribution					\$67,000
D) Low Pressure Sewer					
1	1.5" Low Pressure Sewer Main	610	L.F.	\$25	\$15,250
2	1.5" Sewer Service Connection	18	EA.	\$600	\$10,800
3	In-Line Flushing Connection	1	EA.	\$1,000	\$1,000
4	Terminal Flushing Connection	1	EA.	\$1,000	\$1,000
5	Water / Sewer Crossing	70	L.F.	\$25	\$1,750
6	2.5" x 1.5" Reducer	1	EA.	\$250	\$250
7	1.5" X 45° Bend	3	EA.	\$250	\$750
D) Sub-Total Low Pressure Sewer					\$26,050
E) Signing					
1	Yield Sign R1-2 30" x 30" W/ 2 Street Name Signs	1	EA.	\$350	\$350
2	Curve Sign W1-1L 30" x 30"	1	EA.	\$250	\$250
E) Sub-Total Signing					\$600
F) Miscellaneous Costs					
1	Dry Utility Trench, Complete	1	LS	\$10,000	\$10,000
2	Gas Trench Complete	1	LS	\$5,000	\$5,000
3	Construction Survey	1	LS	\$15,000	\$15,000
4	SWPPP NOI and Implementation	1	LS	\$3,000	\$3,000
5	Quality Control	1	LS	\$7,500	\$7,500
6	Offsite Traffic Improvements	1	LS	\$5,000	\$5,000
F) Sub-Total Miscellaneous Costs					\$45,500
Sub-Total A THRU F					\$261,670
Total =					\$261,070





MULCAHY LAW FIRM, P.C.
3001 East Camelback Road
Suite 130
Phoenix, Arizona 85016
Phone: (602) 241-1093
Fax: (602) 264-4663
bmulcahy@mulcahylaw.net
www.mulcahylawfirm.net

December 8, 2017

~~RECEIVED
DEC 11 2017~~ TB

TO: Gila County Clerk of the Board
Attn: Marian E. Sheppard

FAX NO.: (928) 425-0829

FROM: Beth Mulcahy, Esq.

PAGES: 20 (Including Cover Page)

RE: Portal IV Homeowners Association, Inc.

RECEIVED
DEC 08 2017

The information intended only for the use of the individual(s) or entity(is) named above. If the reader of this message is not the intended recipient, or the employee or agent responsible to deliver it to the intended recipient, you are hereby notified that any dissemination, distribution or copying of this communication is strictly prohibited. If you have received this communication in error, please immediately notify us by telephone, and return the original message to the above address via the U. S. Postal Service

Pursuant to 15 U.S.C. Section 1692 E (11), please be advised that this communication is from a debt collector. This is an attempt to collect a debt. Any information obtained will be used for that purpose.



MULCAHY LAW FIRM, P.C.

Beth Mulcahy
Paige Marks
Lauren Vie

association@mulcahylaw.net

SENT VIA REGULAR U.S. MAIL; FAX: (928)425-0829; AND EMAIL:
msheppard@gilacountyaz.com

December 8, 2017

Gila County Clerk of the Board
Attn: Marian E. Sheppard
1400 E. Ash Street
Globe, AZ 85501

Gila County Community Development
Attn: Planning and Zoning
745 N. Rose Mofford Way
Globe, AZ 85501

Re: Portal IV Homeowners Association, Inc.

Dear Gila County Clerk of the Board and Planning and Zoning:

I represent Portal IV Homeowners Association, Inc. ("Association"). The Association's Board of Directors requested that I contact you regarding the proposed Elk Rim Subdivision and its prospective impact on the Association. The Board would also appreciate this information being shared with the Gila County Board of Supervisors.

Enclosed please find a Traffic Impact Statement ("TIS"), which was commissioned by the Association and prepared by United Civil Group. As you can see, the TIS identifies traffic concerns on Anasazi Way, Ruin Hill Loop and South Fox Hat Trail related to the proposed development. The Board would encourage a thorough review of the TIS by Gila County; however, the main takeaway is that development of Elk Rim Subdivision will require significant improvements to the Association's subdivision roads (Tract I).

The Association, which owns Tract I, has been in communication with the owners of Portal IV Subdivision Tracts B1 and B2 (which is the proposed location of the Elk Rim Subdivision) regarding the anticipated improvements that will be needed to Tract I, along with the expected ongoing maintenance costs. A copy of the TIS has also been provided to them. As the exact scope of the road improvements is yet to be determined, the Board is providing the TIS to Gila County for informational purposes only.

Please feel free to contact the Board with any questions. Thank you.

Sincerely,

A handwritten signature in cursive script, appearing to read "Beth Mulcahy".

Beth Mulcahy
BM/bb
Enclosure



November 22, 2017

Mr. Forrest Switzer, PE
Tetra Tech
405 West Main Street, Suite B
Payson, Arizona 85541

Subject: Traffic Impact Statement for
Proposed Residential/Commercial Development
Within Portal IV at Pine Creek
Pine, Arizona

Dear Mr. Switzer:

United Civil Group performed this Traffic Impact Statement (TIS) to identify traffic concerns related to a proposed development on Anasazi Way and Ruin Hill Loop within the Portal IV community and recommend roadway improvements that will satisfactorily accommodate existing and proposed traffic by allowing the safe and efficient movement of vehicles throughout the area.

BACKGROUND

Portal IV at Pine Creek is an existing gated community located north of State Route 87 (SR87) at Anasazi Way in Pine, Arizona. Portal IV currently has a total of 95 occupied single-family homes that tie into a one way circular collector road, Ruin Hill Loop. The entry and exit gates are located on Ruin Hill Loop approximately 300 feet east and 450 feet west of Anasazi Way, respectively. The primary access into and out of Portal IV is on Anasazi Way.

A Traffic Impact Analysis (TIA) for Portal IV at Pine Creek was prepared on March 31, 1994, by Pekala and Associates. At that time, the Portal IV development was forecast to be comprised of 182 single-family residential lots, an 80 room resort, 60 multi-family attached units, and 5.94 acres of commercial development. Based on trip generation rates and a reduction for interaction within the development, the 1994 TIA for Portal IV estimated approximately 7,155 daily external trips with 270 occurring in the morning peak hour and 670 occurring in the evening peak hour.

A summary of the recommendations from the 1994 TIA for Portal IV follow.

- Install a 12 foot right turn deceleration lane on SR87 at Anasazi Way with 75 feet of storage initial (225 feet ultimate) and a 180 foot taper.
- Install a 12 foot left turn deceleration lane on SR87 at Anasazi Way with 100 feet of storage, 100 feet of braking distance and a 360 foot taper (based on design speed of 60mph and posted speed of 50mph). Widening of the left turn lane should occur equally from the centerline of the pavement.
- Anasazi Way should be constructed to a minimum width of 32 feet to accommodate right and left turning vehicles out of the site.
- Consideration should be given to reducing the speed from 50mph to 35mph of SR87 near the site.

No recommendations were presented in the 1994 TIA that address internal site circulation and traffic movements.

EXISTING ROADWAY CONDITIONS

SR87 has an east/west alignment within the vicinity of the site consisting of one travel lane in both the eastbound and westbound directions. At the Anasazi Way site access, SR87 currently has an existing 110 foot right-turn deceleration lane and a 105 foot left turn deceleration lane into the Portal IV development. The posted speed limit within the vicinity of the site is 50 miles per hour.

Anasazi Way is an approximate 560 foot roadway connecting SR87 to Ruin Hill Loop within the Portal IV development. Anasazi Way has a north/south alignment with one northbound travel lane and one southbound travel lane. Anasazi Way is controlled by a stop sign at the intersection with SR87 and consists of a dedicated right-turn lane and a shared through/left-turn lane.

Ruin Hill Loop is the main collector roadway throughout the Portal IV development. To the east of the Anasazi Way/Ruin Hill Loop intersection, Ruin Hill Loop is a two-way roadway for approximately 300 feet until it reaches the gated portion of the Portal IV development. This two-way roadway provides the only access for the proposed residential lots and commercial space located outside of the gated portion of the Portal IV development. Within the gated portion of the development, Ruin Hill Loop is a one-way 16 foot roadway that loops around the entire gated development back to Anasazi Way.

TRAFFIC DATA

United Civil Group (UCG) collected turning movement counts on Wednesday, August 2, 2017, at the intersection of SR87 and Anasazi Way during the morning and evening peak hours, 7-9am and 4-6pm, respectively. Summary tables of the data collection efforts are provided with this letter. The morning peak hour was found between 7:15-8:15am with 288 vehicles entering the intersection. The afternoon peak hour was found between 4-5pm with 336 vehicles entering the intersection.

Because the existing Portal IV gated development primarily consists of vacation homes that mostly generates trips on weekends and during holidays, a seasonal peak adjustment factor of 1.06 was used to better estimate the traffic volumes the development and surrounding roadways experience during these times. Therefore, for analysis purposes, the morning peak hour is estimated to be 306 vehicles entering the intersection and the evening peak hour is estimated to be 356 vehicles entering the intersection.

LEVEL OF SERVICE METHODOLOGY

The roadway system's ability to accommodate traffic demand is typically limited by the capacity of the intersections. Therefore, intersection capacity analysis is a principal tool used in traffic engineering to determine the adequacy of a roadway system.

The level of service (LOS) concept is used in traffic engineering to describe the degree of delay a driver can expect. The concept defines a near-capacity condition as LOS E while a free flow condition under which a driver would experience minimal delay is defined as LOS A.

The intersections level of service was determined using the methodologies presented in the *Highway Capacity Manual* published by the Transportation Research Board. The delay thresholds for levels of service for signalized and un-signalized intersections are shown in the following table.

TABLE 1: LEVEL OF SERVICE

Level of Service	Signalized Delay (Sec/Veh)	Un-Signalized Delay (Sec/Veh)
A	≤ 10	≤ 10
B	> 10 and ≤ 20	> 10 and ≤ 15
C	> 20 and ≤ 35	> 15 and ≤ 25
D	> 35 and ≤ 55	> 25 and ≤ 35
E	> 55 and ≤ 80	> 35 and ≤ 50
F	> 80	> 50

Source: *Highway Capacity Manual 2010*

EXISTING TRAFFIC LOS

Vistro traffic analysis software was used to apply the Highway Capacity Manual level of service methodology. At un-signalized intersections, the overall intersection level of service is the level of service defined by the worse leg movement.

The results of the existing levels of service are presented in Table 2: *Existing Conditions Intersection Delay and Levels of Service*.

TABLE 2: EXISTING CONDITIONS INTERSECTION DELAY AND LEVELS OF SERVICE

Intersection Location	NB (Delay/LOS)	SB (Delay/LOS)	EB (Delay/LOS)	WB (Delay/LOS)	Intersection (Delay/LOS)
SR87/Anasazi Way – Un-signalized					
AM Peak Hour	10.93 B	10.89 B	7.55 A	7.47 A	10.93 B*
PM Peak Hour	11.22 B	11.23 B	7.53 A	7.58 A	11.23 B*
Anasazi Way/Ruin Hill Loop – Un-signalized					
AM Peak Hour	6.36 A	-	6.36 A	6.95 A	6.95 A*
PM Peak Hour	6.37 A	-	6.40 A	6.96 A	6.96 A*

*Delay and LOS is based on the worst movement, not the entire approach or intersection for non-signalized intersections.

As shown in Table 2, all intersections currently operate at acceptable levels of service, LOS B or better, during the AM and PM peak hours.

BACKGROUND TRAFFIC LOS

The background traffic represents the projected future traffic volumes without the traffic generated by the proposed development. An annual growth rate of 2% per year was applied to the existing traffic to estimate ambient traffic growth as a result of future development. The background traffic level of service is presented in *Table 3: Background Conditions Intersection Delay and Levels of Service*

TABLE 3: BACKGROUND CONDITIONS INTERSECTION DELAY AND LEVELS OF SERVICE

Intersection Location	NB (Delay/LOS)	SB (Delay/LOS)	EB (Delay/LOS)	WB (Delay/LOS)	Intersection (Delay/LOS)
SR87/Anasazi Way – Unsignalized					
AM Peak Hour	10.97 B	10.93 B	7.55 A	7.48 A	10.97 B*
PM Peak Hour	11.27 B	11.28 B	7.53 A	7.59 A	11.28 B*
Anasazi Way/Ruin Hill Loop – Unsignalized					
AM Peak Hour	6.36 A	-	6.36 A	6.95 A	6.95 A*
PM Peak Hour	6.37 A	-	6.40 A	6.96 A	6.96 A*

*Delay and LOS is based on the worst movement, not the entire approach or intersection for non-signalized intersections.

As shown in Table 3, all intersections currently operate at acceptable levels of service, LOS B or better, during the AM and PM peak hours for year 2018.

PROPOSED DEVELOPMENT

A developer is proposing to construct 18 single-family lots adjacent to the existing gated Portal IV development by year 2018. Access from SR87 to the proposed development will be via Anasazi Way, Ruin Hill Loop and South Fox Hat Trail (Fox Hat Trail). Traffic from the proposed development will not have access to Portal IV on Ruin Hill Loop within the gated area. Traffic from the proposed development will use 300 feet of Ruin Hill Loop (two directions of traffic) just west of Fox Hat Trail for their needs.

The site for the proposed 18 single-family housing lots is currently undeveloped vacant land located in the southeast corner of the Portal IV development. The proposed site is bound by SR87 to the south, a vacant lot followed by an existing church to the east, and the existing Portal IV gated development to the north and west. The proposed site will be accessed by the existing Anasazi Way access on SR87.

SITE TRAFFIC GENERATION

Estimates of the traffic volumes that will be generated by the proposed development were determined from transportation planning data taken from the Institute of Transportation Engineers (ITE) *Trip Generation Manual, 9th Edition, 2012*. The ITE rates are based on studies that measure trip generation characteristics for various types of land uses. The rates are expressed in terms of trips per unit of land use type. ITE Land Use Code 210 – Single-Family Detached Housing was utilized for trip generation purposes. The site's forecasted trips are presented in Table 4: Trip Generation.

TABLE 4: TRIP GENERATION

Land Use	ITE Code	Units	Total Size	AM Peak			PM Peak		
				In	Out	Total	In	Out	Total
Single-Family Detached Housing	210	Dwelling Units	18	3	11	14	11	7	18
Total				3	11	14	11	7	18

*2 acres at 30% floor area ratio = 26,000 square feet of building area

Single-Family Detached Housing (210)

Daily	T = 9.52 x (Dwelling Units)	50% entering, 50% exiting
AM Peak Hour	T = 0.75 x (Dwelling Units)	25% entering, 75% exiting
PM Peak Hour	T = 1 x (Dwelling Units)	63% entering, 37% exiting

The proposed development is forecast to generate approximately 14 trips in the morning peak hour and 18 trips in the evening peak hour.

TRIP DISTRIBUTION AND ASSIGNMENT

The trip distribution procedure determines the general pattern of travel for vehicle entering and leaving the development in the study area. The assumed trip distribution percentages are shown on *Figure 4: Site Generated Traffic and Trip Distribution*. These percentages are based on the land uses surrounding the site and associated street patterns outside the development. Figure 4 also shows the number of departure and arrival trips distributed to and from the development during the morning and evening peak hours.

TOTAL TRAFFIC LOS

The total traffic level of service presented below includes the projected future traffic volumes for year 2018 and any recommended improvements for the development. The total traffic for the proposed development is presented in *Table 5: Total Conditions Intersection Delay and Levels of Service*.

TABLE 5: TOTAL CONDITIONS INTERSECTION DELAY AND LEVELS OF SERVICE

Intersection Location	NB (Delay/LOS)	SB (Delay/LOS)	EB (Delay/LOS)	WB (Delay/LOS)	Intersection (Delay/LOS)
SR87/Anasazi Way – Unsignalized					
AM Peak Hour	11.00 B	11.02 B	7.55 A	7.48 A	11.02 B*
PM Peak Hour	11.40 B	11.39 B	7.53 A	7.61 A	11.40 B*
Anasazi Way/Ruin Hill Loop – Unsignalized					
AM Peak Hour	6.39 A	-	6.38 A	7.21 A	7.21 A*
PM Peak Hour	6.43 A	-	6.43 A	7.21 A	7.21 A*

*Delay and LOS is based on the worst movement, not the entire approach or intersection for non-signalized intersections.

As shown in Table 5, all intersections currently operate at acceptable levels of service, LOS B or better, during the AM and PM peak hours.

INTERNAL SITE CIRCULATION

An analysis of internal site circulation was performed to identify traffic concerns on the roadways of:

- Fox Hat Trail
- Ruin Hill Loop
- Anasazi Way

and the associated intersections of:

- Ruin Hill Loop/Fox Hat Trail
- Anasazi Way/Ruin Hill Loop
- SR87/Anasazi Way

and recommend improvements to mitigate the traffic concerns.

FOX HAT TRAIL

Concern 1: The private drive intersection with Fox Hat Trail appears to be skewed. This may cause sight distance issues at the intersection.

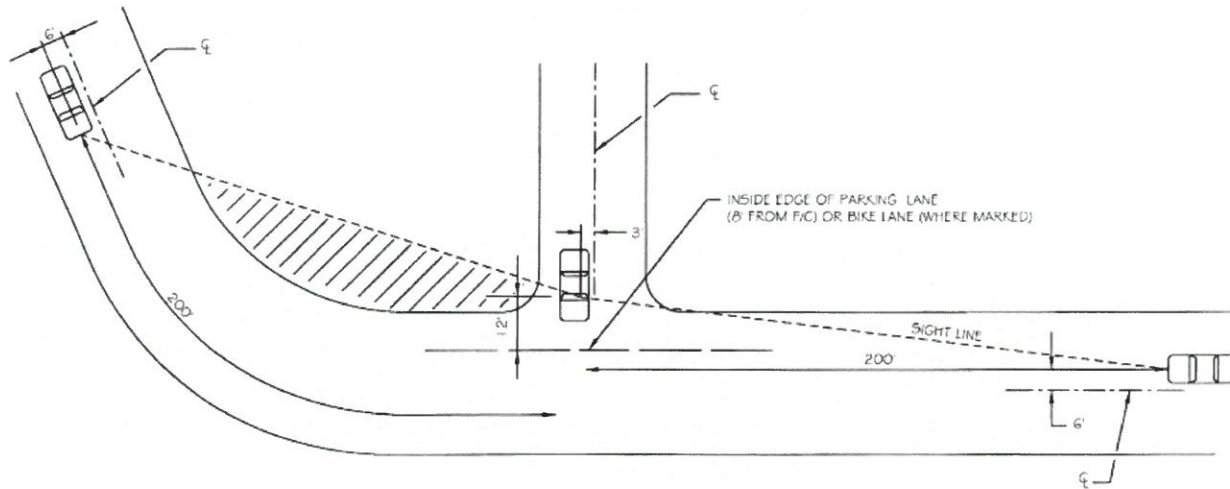
Solution 1: Make certain intersection sight distances are met at all legs of the intersection.

RUIN HILL LOOP/FOX HAT TRAIL

Concern 2: It may be difficult to see vehicles approaching the intersection at Ruin Hill Loop/Fox Hat Trail.

Solution 2: Make certain intersection sight distances are met on Fox Hat Trail as shown in the diagrammatic figure below. The tree located on the southwest corner of the intersection should be removed. The turning radius for vehicles making a right turn

from Ruin Hill Loop onto Fox Hat Trail should be increased to a minimum of 20' which is standard for local-local roadways.



NOTE:

THIS STANDARD APPLIES ONLY TO DRIVEWAY AND CROSS-STREET ENTRIES ONTO STREETS WITH A 25 MPH SPEED LIMIT AND ON STREET PARKING. ONCOMING VEHICLE MUST BE VISIBLE TO DRIVER OF ENTERING VEHICLE FOR AT LEAST 200 FEET FROM INTERSECTION, MEASURED ALONG PATH OF ONCOMING VEHICLE. NO GROUND COVER, SHRUBS, FLOWERS, MOUNDS, WALLS OR STRUCTURES OVER 24 INCHES IN HEIGHT ALLOWED ON STREET SIDE OF SIGHT LINE. TREES MUST BE TRIMMED TO 6 FEET ABOVE GROUND ON STREET SIDE OF SIGHT LINE.

Concern 3: Blocking of the intersection could occur with the existing gate location.

Solution 3: If gate queueing becomes a problem, it is recommended to move the entry gate for the gated portion of the Portal IV development 100 feet to the east of its existing position. This would allow for approximately four vehicles to queue at the gate while still permitting northbound left turning traffic from Fox Hat Trail. The gate can be moved with the development of Tract D at which a turnaround area at the gate should also be constructed. If sight distance issues and undue delay caused by cars queueing at the gate continue to cause issues at this intersection, stop signs may be warranted.

RUIN HILL LOOP

Concern 4: There is no turn around for motorists that inadvertently travel east on Ruin Hill Loop without realizing the gate exists.

Solution 4: Construct a turn-around outside the gate for vehicles that did not intend to access the gated development. This should be done when either the gate is relocated or Tract D is being constructed.

Concern 5: Motorists need to be informed that Ruin Hill Loop turns into a one-way.

Solution 5: One way traffic signing and striping should be placed on Ruin Hill Loop east of Fox Hat Trail where Ruin Hill Loop becomes a one-way roadway in the eastbound direction.

Concern 6: Approximately 11 vehicles are projected to make a right turn at onto Fox Hat Trail during the evening peak hour due to the proposed development. Approximately 17 vehicles are projected to make a left turn onto Ruin Hill Loop from the proposed development in the evening peak hour. If the additional development proposed in Tract D is considered in the future, traffic volumes at the intersection of Fox Hat Trail/Ruin Hill Loop could be significantly increased.

Solution 6: If development in Tract D is constructed, it is recommended to construct a new travel lane on Ruin Hill Loop between Anasazi Way and Fox Hat Trail for westbound traffic exiting the developments. With the construction of this westbound lane, the existing eastbound lane on Ruin Hill Loop should be converted into an eastbound right turn lane accessing Fox Hat Trail. The existing westbound lane on Ruin Hill Loop would then become the eastbound through lane accessing the existing gated portion of the Portal IV development.

Concern 7: Drivers unfamiliar with the area may try entering the one way roadway west of Anasazi Way and traveling in the wrong direction.

Solution 7: One way signing and striping should be placed on Ruin Hill Loop west of Anasazi Way to inform drivers that they must make a left turn onto Anasazi Way. If any vehicles will be accessing the existing propane or treatment plant west of Anasazi Way on Ruin Hill Loop, Ruin Hill Loop needs to be striped as a two-way roadway in order to safely accommodate these vehicles.

ANASAZI WAY/RUIN HILL LOOP

Concern 8: It may be difficult to see vehicles approaching the intersection at Anasazi Way/Ruin Hill Loop.

Solution 8: Make certain intersection sight distances are met at the intersection in accordance with the figure shown above. The existing turning radii on the southeast and southwest corners of this intersection should be increased to a minimum of 20 feet.

SR87/ANASAZI WAY

The intersection of SR87/Anasazi Way was constructed according to the recommendations in the 1994 TIA for Portal IV. These recommendations remain valid for the additional traffic projected by the proposed development. Therefore, no additional improvements are recommended. However, a sight distance analysis should be performed to make certain adequate sight distance is provided at the intersection.

CONCLUSION

The proposed development of 18 single-family housing lots near the existing Portal IV development is forecasted to generate approximately 14 trips in the morning peak hour and 18 trips in the evening peak hour. The trips generated by the proposed development were added to the existing trips from the Portal IV development and analyzed using the existing



roadway geometry of the site. The recommendations for improvements to Anasazi Way, Ruin Hill Loop and Fox Hat Trail combined with the associated intersections will ensure the Portal IV roadway network continues to operate efficiently with the proposed new development. There are currently no other recommended improvements for Anasazi Way aside from increasing the turning radii at the intersection of Anasazi Way and Ruin Hill Loop as well as ensuring sight distances are met at Anasazi Way and SR87 and Anasazi Way and Ruin Hill Loop.

This trip generation letter is based on a variety of assumptions related to the site plan and land use of the proposed development. If a larger development or alternate land use is ultimately proposed, these trip generation calculations and the criteria evaluation will not be valid.

If you have any questions, please feel free to contact our office at (602) 265-6155.

Sincerely,
United Civil Group



David B Kinnear

Expires 12-31-2018

David Kinnear, PE
Project Manager

Attachments: Figure 1: Aerial View and Vicinity
 Figure 2: Site Plan
 Figure 3: Existing Traffic – Year 2017
 Figure 4: Site Generated Traffic
 Figure 5: Background Traffic – Year 2018
 Figure 6: Total Traffic – Year 2018
 Figure 7: Recommendations for Future Consideration with the Development
 of Tract D
 Traffic Count Data



Permission for commercial use granted by Google Earth

Imagery Date: 4/21/2017

Figure 1: Aerial View and Vicinity



— **LEGEND** —

XX(XX) AM(PM) Peak Hour Traffic Volume

X(X) Level of Service

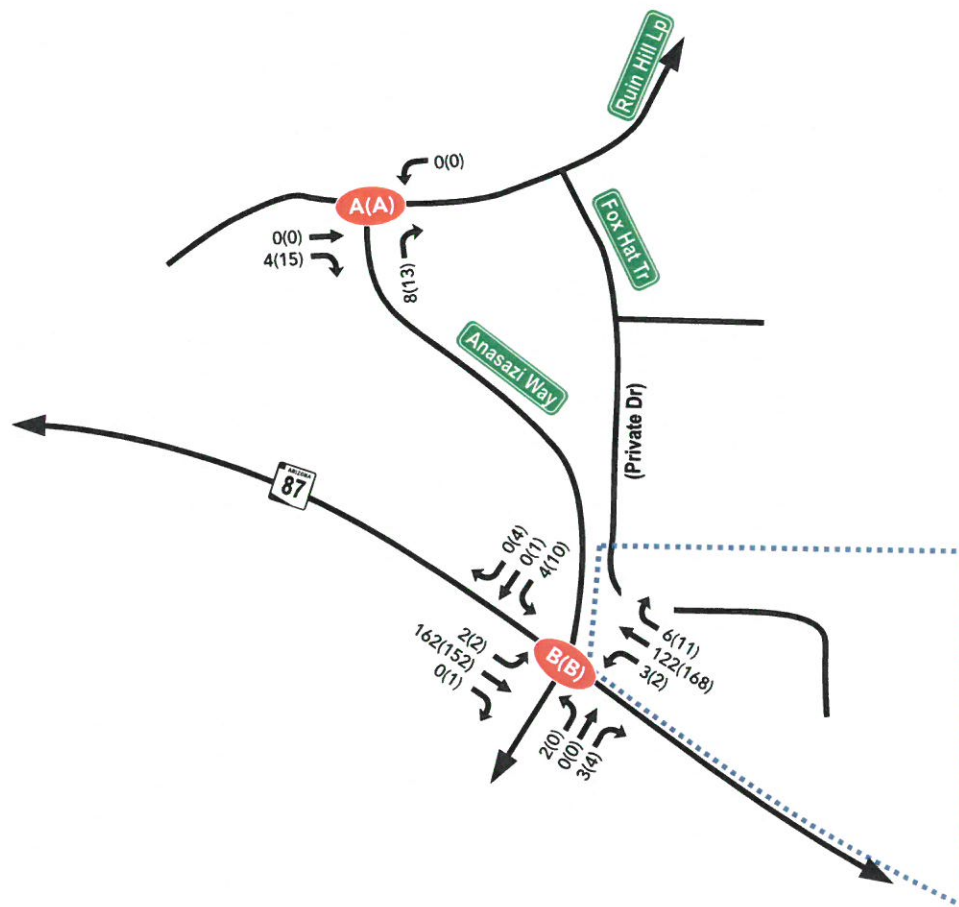
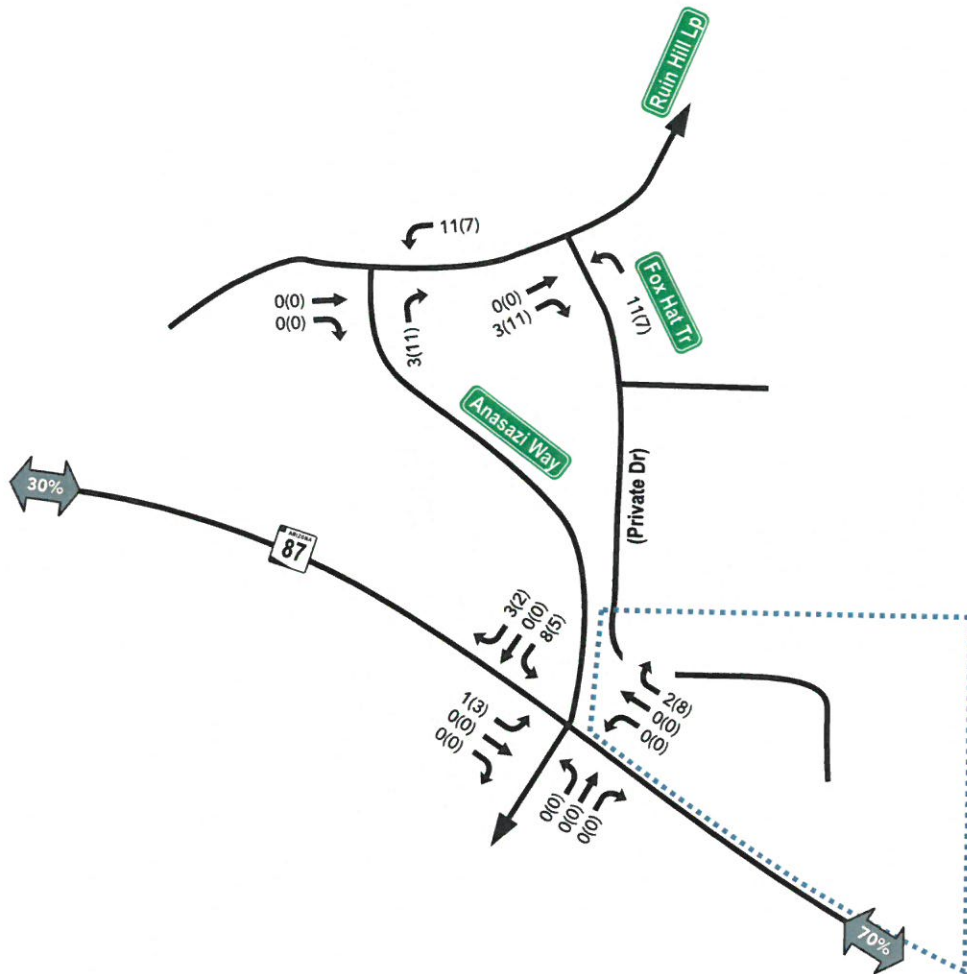


Figure 3: Existing Traffic - Year 2017

— **LEGEND** —

XX(XX) AM(PM) Peak Hour Traffic Volume

↔ X% Trip Distribution



not to scale

Figure 4: Site Generated Traffic

— **LEGEND** —

XX(XX) AM(PM) Peak Hour Traffic Volume

X(X) Level of Service

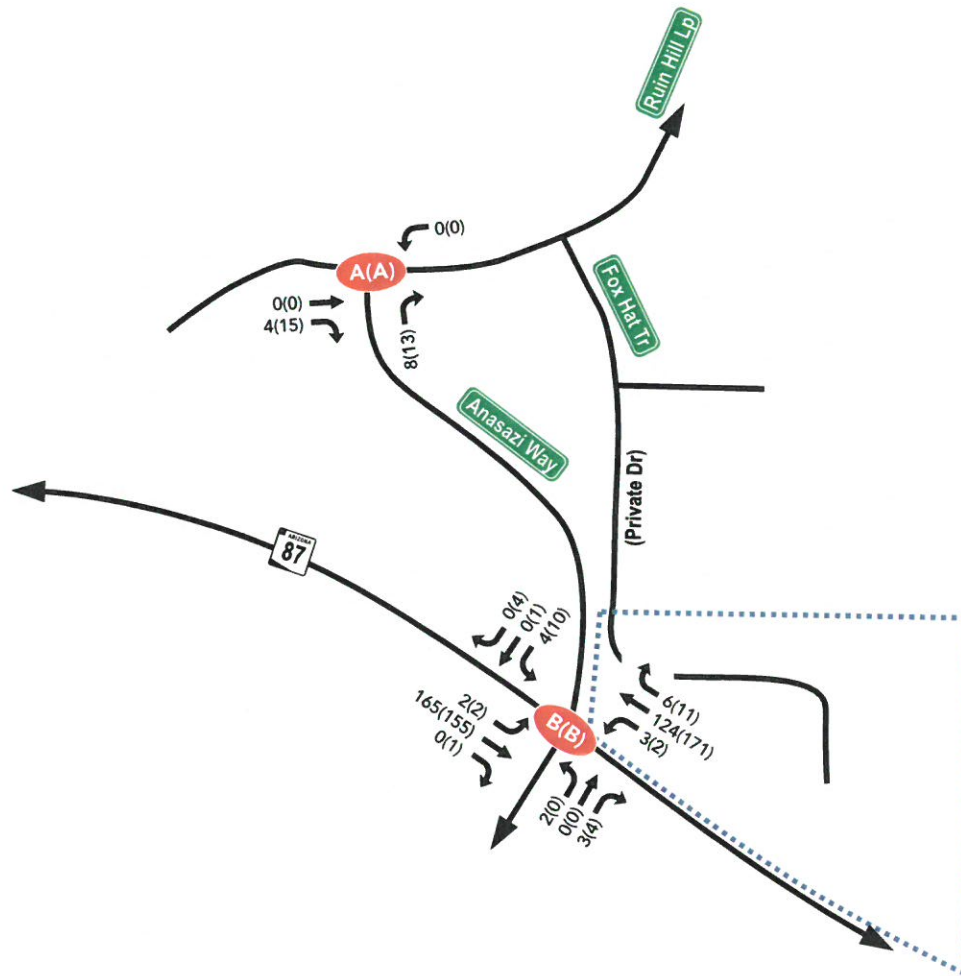
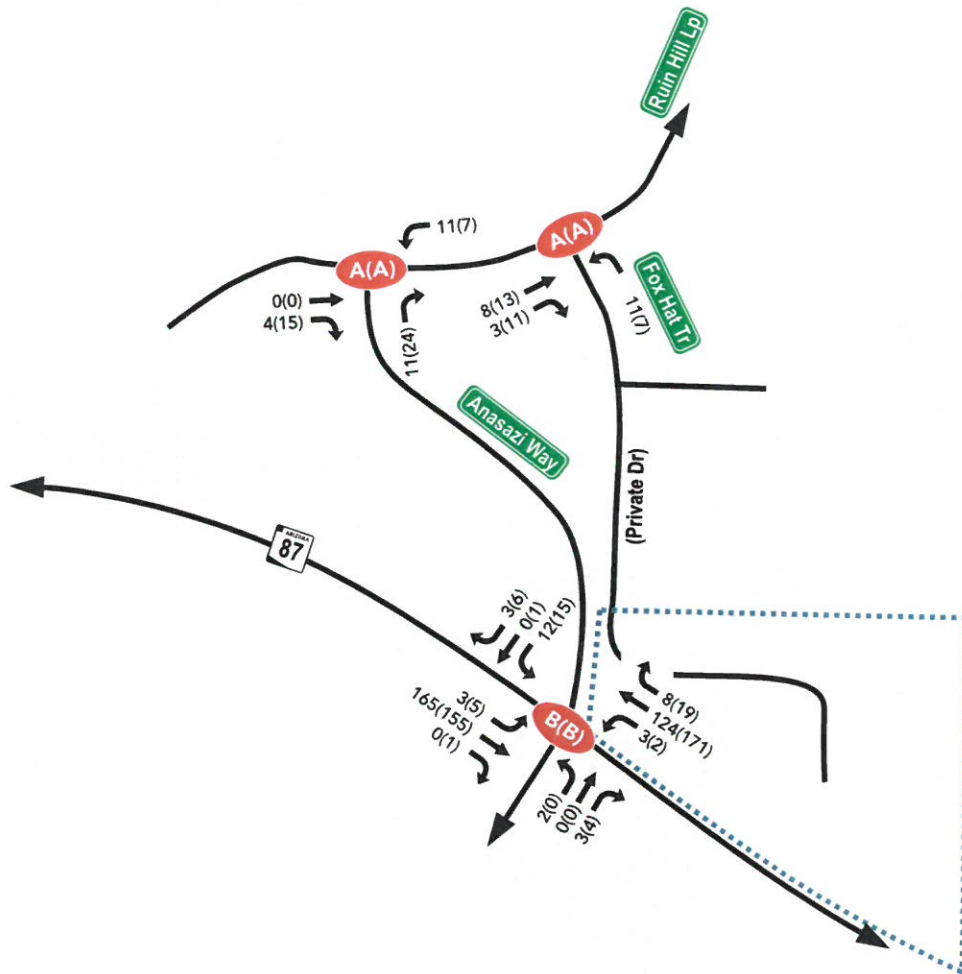


Figure 5: Background Traffic - Year 2018

— LEGEND —

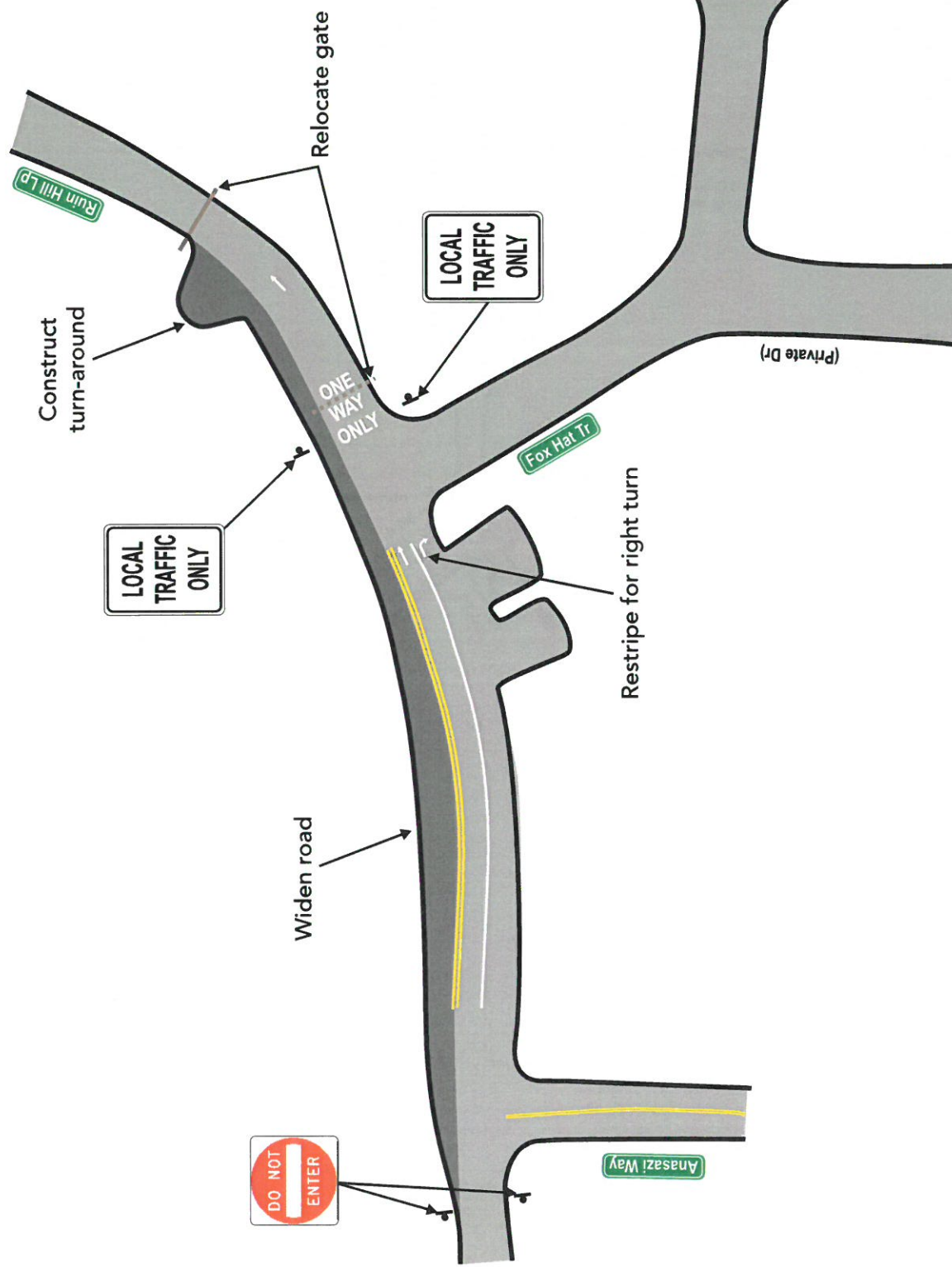
XX(XX) AM(PM) Peak Hour Traffic Volume

X(X) Level of Service



not to scale

Figure 6: Total Traffic - Year 2018



not to scale

Figure 7: Recommendations for Future Consideration with Development of Tract D

Project No: TR17056

Seasonal Factor: 1.06

Location: SR87

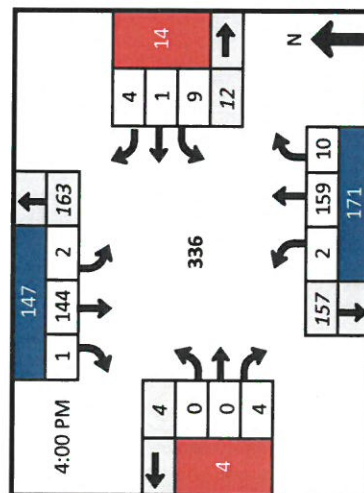
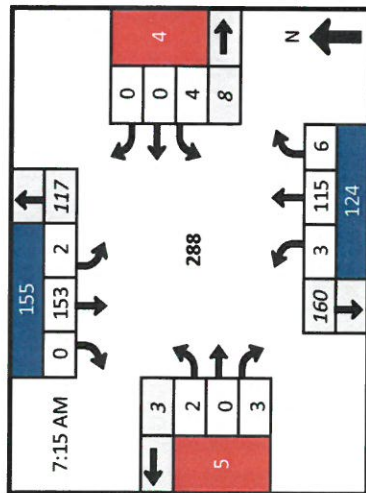
and Anasazi Way

Intersection Configuration: Unsignalized

Turning Movement Count

Speed Limit	Lt	Lt/T	T	T/Rt	Lt/T/Rt	Lt/Rt
Northbound	40	1	1	1		
Southbound	40	1	1	1		
Eastbound	25				1	
Westbound	25	1		1		

August 2, 2017 (Wednesday)



Start Time	SR87 Northbound						SR87 Southbound						Anasazi Way Eastbound						Anasazi Way Westbound						Total	Peak Hour
	Left	Thru	Right	Peds	Left	Thru	Right	Peds	Left	Thru	Right	Peds	Left	Thru	Right	Peds	Left	Thru	Right	Peds	Left	Thru	Right	Peds		
7:00 AM	2	29	1	0	0	0	0	0	0	0	0	0	0	0	0	0	1	0	1	0	1	0	1	0	62	
7:15 AM	1	34	2	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	89	
7:30 AM	0	19	1	0	1	36	0	0	1	0	2	0	1	0	0	0	1	0	0	0	1	0	0	0	61	
7:45 AM	1	29	3	0	1	33	0	0	0	0	1	0	1	0	0	0	1	0	0	0	1	0	0	0	69	281
8:00 AM	1	33	0	0	0	32	0	0	1	0	0	0	2	0	0	0	2	0	0	0	4	0	0	0	69	288
8:15 AM	0	36	0	0	0	36	0	0	0	0	0	0	0	0	0	0	3	0	0	0	0	0	0	0	75	274
8:30 AM	0	24	2	0	0	37	1	0	0	0	0	0	0	0	0	0	2	0	0	0	0	0	0	0	66	279
8:45 AM	0	31	2	0	0	43	0	0	0	0	0	0	0	0	0	0	1	0	0	0	0	0	0	0	77	287
Peak Hour Total	3	115	6	0	2	153	0	0	2	0	3	0	4	0	0	0	4	0	0	0	4	0	0	0	288	
SF Adjustment	3	122	6	0	2	162	0	0	2	0	3	0	4	0	0	0	4	0	0	0	4	0	0	0	305	

Start Time	SR87 Northbound						SR87 Southbound						Anasazi Way Eastbound						Anasazi Way Westbound						Total	Peak Hour
	Left	Thru	Right	Peds	Left	Thru	Right	Peds	Left	Thru	Right	Peds	Left	Thru	Right	Peds	Left	Thru	Right	Peds	Left	Thru	Right	Peds		
4:00 PM	1	36	1	0	2	48	1	0	0	0	0	0	0	0	0	0	1	0	0	0	1	0	0	0	90	
4:15 PM	0	38	3	0	0	34	0	0	0	0	0	0	0	0	0	0	4	0	2	0	4	0	2	0	82	
4:30 PM	1	43	3	0	0	34	0	0	0	0	3	0	1	1	2	0	1	1	2	0	1	1	2	0	88	
4:45 PM	0	42	3	0	0	28	0	0	0	0	0	0	3	0	0	0	3	0	0	0	3	0	0	0	76	336
5:00 PM	0	39	2	0	0	32	0	0	0	0	0	0	4	0	0	0	4	0	0	0	4	0	0	0	77	323
5:15 PM	0	20	2	0	0	27	0	0	0	0	1	0	1	0	0	0	1	0	0	0	1	0	0	0	51	292
5:30 PM	0	25	0	0	0	26	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	51	255
5:45 PM	0	27	1	0	0	31	0	0	0	0	0	0	0	0	0	0	1	0	0	0	1	0	0	0	60	239
Peak Hour Total	2	159	10	0	2	144	1	0	0	0	4	0	9	1	4	0	9	1	4	0	10	1	4	0	336	
SF Adjustment	2	168	11	0	2	152	1	0	0	0	4	0	10	1	4	0	10	1	4	0	10	1	4	0	356	

Berumen, Therese C

From: Buzan, Scott
Sent: Friday, January 12, 2018 6:12 AM
To: Berumen, Therese C
Cc: Buzan, Scott
Subject: FW: Elk Rim
Attachments: CCE01052018_0004.pdf

SCOTT BUZAN

Director
Gila County Community Development
608 E. Highway 260
Payson, AZ 85541
928-474-7199
sbuzan@gilacountyaz.gov

From: rick rickvesci.com [mailto:rick@rickvesci.com]
Sent: Thursday, January 11, 2018 3:01 PM
To: Buzan, Scott <sbuzan@gilacountyaz.gov>; Gould, Robert <rgould@gilacountyaz.gov>
Cc: Terry Gorton <terry@barlinproperties.com>; rick rickvesci.com <rick@rickvesci.com>
Subject: FW: Elk Rim

fyi

From: Ralph Bossert [mailto:rbossert1109@gmail.com]
Sent: Friday, January 5, 2018 2:16 PM
To: 'Terry Gorton' <terry@barlinproperties.com>; rick rickvesci.com <rick@rickvesci.com>
Cc: 'Gould, Robert' <rgould@gilacountyaz.gov>
Subject: Elk Rim

I talked to Greg Kinnear at the United Civil Group. He confirmed that the only recommended traffic improvements due to the addition of Elk Rim traffic are:

1. Increase the turning radii at Top Hat Circle and Ruin Hill Loop to 20' radius returns;
2. Increase the turning radii at Anasazi and Ruin Hill Loop to 20' radius returns;
3. Insure that site distances are met at these intersections as well as Anasazi Way and SR 87;

Item 1 may involve removing two 20" juniper trees and about 20 square yards of additional paving at an estimated cost of \$2,500.

Item 2 should be no additional cost since the original improvement plans for Portal Pine Creek Canyon Unit IV called for 25' radius returns at this intersection. Additional cost for this improvement (if any) should be prorated among all the Portal IV lots.

Item 3 may include some minor vegetation removal. Site distance issues at SR 87/Anasazi Way and Ruin Hill Loop/Anasazi Way are not caused by Elk Rim. Additional cost for this issue should be prorated among all the Portal IV lots.

Mr. Kinnear's conclusions are on pages 8 & 9 of his report and are attached.

Thank you,

Ralph O. Bossert, P.E., R.L.S.
Verde Engineering Group, PLLC
1109 North McLane Road
Payson, AZ 85541
(928) 978-4345



Solution 5: One way traffic signing and striping should be placed on Ruin Hill Loop east of Fox Hat Trail where Ruin Hill Loop becomes a one-way roadway in the eastbound direction.

No Action (Existing condition)

Concern 6: Approximately 11 vehicles are projected to make a right turn at onto Fox Hat Trail during the evening peak hour due to the proposed development. Approximately 17 vehicles are projected to make a left turn onto Ruin Hill Loop from the proposed development in the evening peak hour. If the additional development proposed in Tract D is considered in the future, traffic volumes at the intersection of Fox Hat Trail/Ruin Hill Loop could be significantly increased.

Solution 6: If development in Tract D is constructed, it is recommended to construct a new travel lane on Ruin Hill Loop between Anasazi Way and Fox Hat Trail for westbound traffic exiting the developments. With the construction of this westbound lane, the existing eastbound lane on Ruin Hill Loop should be converted into an eastbound right turn lane accessing Fox Hat Trail. The existing westbound lane on Ruin Hill Loop would then become the eastbound through lane accessing the existing gated portion of the Portal IV development.

No Action (Tract D)

Concern 7: Drivers unfamiliar with the area may try entering the one way roadway west of Anasazi Way and traveling in the wrong direction.

Solution 7: One way signing and striping should be placed on Ruin Hill Loop west of Anasazi Way to inform drivers that they must make a left turn onto Anasazi Way. If any vehicles will be accessing the existing propane or treatment plant west of Anasazi Way on Ruin Hill Loop, Ruin Hill Loop needs to be striped as a two-way roadway in order to safely accommodate these vehicles.

No Action (Existing condition)

ANASAZI WAY/RUIN HILL LOOP

Concern 8: It may be difficult to see vehicles approaching the intersection at Anasazi Way/Ruin Hill Loop.

Solution 8: Make certain intersection sight distances are met at the intersection in accordance with the figure shown above. The existing turning radii on the southeast and southwest corners of this intersection should be increased to a minimum of 20 feet.

No Action (Existing condition)

SR87/ANASAZI WAY

The intersection of SR87/Anasazi Way was constructed according to the recommendations in the 1994 TIA for Portal IV. These recommendations remain valid for the additional traffic projected by the proposed development. Therefore, no additional improvements are recommended. However, a sight distance analysis should be performed to make certain adequate sight distance is provided at the intersection.

CONCLUSION

The proposed development of 18 single-family housing lots near the existing Portal IV development is forecasted to generate approximately 14 trips in the morning peak hour and 18 trips in the evening peak hour. The trips generated by the proposed development were added to the existing trips from the Portal IV development and analyzed using the existing

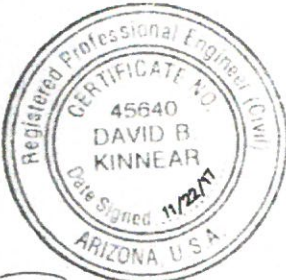


roadway geometry of the site. The recommendations for improvements to Anasazi Way, Ruin Hill Loop and Fox Hat Trail combined with the associated intersections will ensure the Portal IV roadway network continues to operate efficiently with the proposed new development. There are currently no other recommended improvements for Anasazi Way aside from increasing the turning radii at the intersection of Anasazi Way and Ruin Hill Loop as well as ensuring sight distances are met at Anasazi Way and SR87 and Anasazi Way and Ruin Hill Loop.

This trip generation letter is based on a variety of assumptions related to the site plan and land use of the proposed development. If a larger development or alternate land use is ultimately proposed, these trip generation calculations and the criteria evaluation will not be valid.

If you have any questions, please feel free to contact our office at (602) 265-6155.

Sincerely,
United Civil Group



David B. Kinnear

Expires 12-31-2018

David Kinnear, PE
Project Manager

Attachments: Figure 1: Aerial View and Vicinity
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Figure 5: Background Traffic – Year 2018
Figure 6: Total Traffic – Year 2018
Figure 7: Recommendations for Future Consideration with the Development of Tract D
Traffic Count Data

Berumen, Therese C

From: Buzan, Scott
Sent: Friday, January 12, 2018 6:12 AM
To: Berumen, Therese C
Cc: Buzan, Scott
Subject: FW: Highway 87 and Anasazi Way

SCOTT BUZAN

Director
Gila County Community Development
608 E. Highway 260
Payson, AZ 85541
928-474-7199
sbuzan@gilacountyaz.gov

From: rickvesci@gmail.com [<mailto:rickvesci@gmail.com>]
Sent: Thursday, January 11, 2018 2:56 PM
To: Buzan, Scott <sbuzan@gilacountyaz.gov>; Gould, Robert <rgould@gilacountyaz.gov>
Cc: 'Terry Gorton' <terry@barlinproperties.com>; rick rickvesci.com <rick@rickvesci.com>
Subject: FW: Highway 87 and Anasazi Way

Bob and Scott, see below for response from ADOT pursuant to our request for information regarding an additional access or another entry and turn lanes off SR87 into the Portal IV subdivision to serve the 18 new homes of Elk Rim. Rick & Terry

Ps. Please note that we checked with Fire Department regarding their need for additional access and it is not required.

From: Nathan Reisner [<mailto:NReisner@azdot.gov>]
Sent: Friday, January 27, 2017 11:14 AM
To: Terry Gorton <terry@barlinproperties.com>
Cc: Nathan Reisner <NReisner@azdot.gov>
Subject: RE: Highway 87 and Anasazi Way

Terry,

Thank you for your inquiry. If they proposed development would like another access on to SR 87, the following would be the requirements in order for ADOT to consider allowing an additional access.

1. The sight Distance would have to be adequate. Without knowing where the exact location of a proposed driveway is, it is impossible to say if the sight distance would be substandard. If sight distance is substandard we would not permit an additional access. I am not sure of the exact down grade of SR 87 at this location but it looks like about 6%. Per the American Association of State Highway and Transportation Officials (AASHTO), in a 50 MPH zone with a 6% down grade the sight distance need to turn left from a minor road onto a major road is 600'. This means the driveway would need to be located so a person could see 600 feet without sight obstructions. A right turn would have to provide 480' of unobstructed view.
2. Per the ADOT Design Guidelines the grade of the road entering SR 87 would have to be 0.5%-6%. In locations that receive snow we require the grade to be between 0.5%-4%. If the grades cannot be met we will not permit an access.

3. A traffic impact statement would need to be submitted along with right and left turn lane warrant analysis. If the turn lane warrant analysis deems a right and left turn lanes are warranted then we will require a turn lane to be built.

I would recommend the proposed development use the existing access that is platted for the proposed development, in order reduce safety issues on the SR 87.

Nate Reisner, P.E.
Northcentral District Development Engineer
1801 S. Milton Road, Flagstaff AZ, 86001
928-779-7545



From: Terry Gorton [<mailto:terry@barlinproperties.com>]
Sent: Thursday, January 05, 2017 8:39 PM
To: Nathan Reisner
Subject: Highway 87 and Anasazi Way

Hi Nate,

Thank you for taking the time to discuss our proposed project in the Pine Creek Portal IV subdivision located in Pine AZ.

Originally, our property was tentatively mapped by the Portal IV developer for a 33 unit townhome project. But, we are currently working with Gila County planning to change that plan and develop the parcels with only 18 single family residential lots and homes on B-1 and B-2, Gila County Tax parcels: 301-69-196 & 197. (see attached map)

We believe our target buyer is a second home owner, consistent with the existing homes/use in the Pine Creek Portal IV subdivision.

Important-- is that although all our property is within the Pine Creek Portal IV subdivision, our property is not part of the developer- designated Portal IV homeowners association and so, not subject to their CC&Rs.

Our development property consists of approximately 4 acres (see attached parcel maps) and you can see that B-1 fronts State Highway 87A, although the topography is quite steep from the highway, across your road easement onto our lots.

My question to ADOT concerns ingress and egress to that small subdivision.

Currently, Portal IV is served by deceleration lanes from both the north and south with right and left turn options. The lanes provide access directly into the subdivision via Anasazi Way and is solely for subdivision traffic. There is very light traffic and under the previous 33 townhome development, no additional access was planned.

Considering our options, can you please advise what would ADOTs likely disposition be if we asked for additional access or another entry and turn lanes off SR87 into the Portal IV subdivision to serve the 18 new homes? It is not crucial to the development plans---the County is not asking for another entry but we wanted to understand our options, if any.

Thank you, in advance, for your time!

Kind Regards,
Terry Gorton
619 772 6005
PO Box 1195 Pine AZ 85544
terry@barlinproperties.com

Pine-Strawberry Fire District

P.O. Box 441
6198 W. Hardscrabble Road
Pine, AZ 85544
Phone: 928-476-4272
Fax: 928-476-3622

November 9, 2017

Gila County Planning and Zoning
Attn: Building Official
Payson, AZ 85541

Re: Elk Rim Subdivion Highway 87 Pine, Az. 85544

Parcel Numbers: 301-69-196 & 301-69-197

The attached site plans for a new residential subdivision has been reviewed by this office and found acceptable I.A.W. the 2012 International Fire Code that gives authority and responsibilities for Authority Having Jurisdiction (AHJ) as outlined in Section 104. With the following stipulation(s);

Stipulations/Exceptions:

Provide an all weather roadway. Provide fire hydrants with a fire flow of 1500 GMP at 20 PSI. The fire apparatus turn around is acceptable at 100 feet.

All plans review/user fees have not been collected by this department. Fees will apply when individual home plans are reviewed.

If you have any further questions, please call.

Sincerely,



Michael J. Reichling

Fire Marshal

Preserving Life and Property

January 3, 2018

TO: Jeff Dalton, Gila County Attorney's Office
Bob Gould, Gila County Community Development

COPIES: Portal IV HOA Board of Directors (Lee Strebel-Foster, Phil Rupprecht, Nancy Hubbs)
Mulcahy Law Firm

SUBJECT: Elk Rim Development Project, Pine, AZ.

Dear Sirs;

I want to bring you all up to date on the status of negotiations between the Portal IV HOA and the developers of the proposed Elk Rim community. The proposed development's impact on Portal IV has been thoroughly vetted at numerous HOA meetings over the past year. Our Board of Directors is confident that all of our concerns will be fully and completely addressed by the developers. It is the unanimous opinion of the Portal IV HOA Board of Directors that Elk Rim will be a great addition to our community and we look forward to working with our new neighbors.

In recent meetings between our HOA Board representatives and the developers, we have addressed landscaping, signage, and the recommendations of our most recent traffic study which pertain to the road system that is privately owned by the Portal IV HOA. Significant progress has been made on identifying the costs and responsibilities of potential safety upgrades to our existing roadways and ongoing road maintenance needs. The Portal IV HOA Board is committed to working closely with the developers of Elk Rim in the coming weeks to reconcile all of these issues so the project can proceed in a timely manner.

If you have any questions or concerns about Portal IV HOA's relationship with the Elk Rim development, please feel free to contact me at any time.

Sincerely,

Douglas L. Green
Vice-President
Portal IV HOA Board of Directors
Cell: 214-938-5007
Office: 623-748-9011
Email: douglaslgreen@amegaranges.com

SENT VIA EMAIL:

msheppard@gilacountyaz.gov

jdalton@gilacountyaz.gov

rgould@gilacountyaz.gov

January 4, 2018

Gila County Clerk of the Board
Attn: Marian E. Sheppard
1400 E. Ash Street
Globe, AZ 85501

Gila County Community Development
Attn: Robert Gould
745 N. Rose Mofford Way
Globe, AZ 85501

Gila County Attorney
Attn: Robert Gould
1400 E. Ash Street
Globe, AZ 85501

SUBJECT: Community input on the Elk Rim Development Project

Dear Sirs and/or Madams;

It has come to our attention that certain property owners within Portal IV HOA may have presented themselves as representing the HOA when giving their individual viewpoints on the subject project. While we recognize that any property owner within our community has the right to express their personal position on the proposed development to Gila County authorities, no property owners other than the current Board of Directors are authorized to formally communicate on behalf of the Board and/or Association.

If you have any questions or concerns about Portal IV HOA's relationship with the Elk Rim development, we strongly encourage they be directed to the current Directors.

Sincerely,

Lee Strebel-Foster
President
Portal IV HOA Board of Directors
lbdstrebel@blackrivercap.com

Berumen, Therese C

From: Gould, Robert
Sent: Thursday, January 11, 2018 7:18 AM
To: Berumen, Therese C
Subject: FW: Elk Rim Development

From: Roland Maier [mailto:rolandses@gmail.com]
Sent: Wednesday, January 10, 2018 7:19 AM
To: Gould, Robert
Subject: Elk Rim Development

Dear Mr. Gould,

Please find my support for the "Elk Rim" Pine community development project.

As an Arizona licensed solar contractor in Payson and resident of Pine, the great people of gila county provide me with income and allow me to participate in our extreme recreational opportunities.

Participating as the venue chairman for the very successful Fire on the Rim Mountain Bike Race, I interact with all the community members and intimately know their ideas, desires and demands for what they perceive their community to be.

I too was there that cold day with 200 standing room only residents when Dollar General tried to create a stark commercial and corporation face on our community. If that wasn't a clearer indication of what the residents of Pine and Strawberry want in development I don't know what is.

I feel Elk Rim, with it's unique implementation would continue to provide our Northern Gila County communities with the same hometown friendly feel which the Lavender farm has proven to date in just 2 short years. What more of example is needed....

I know the proprietors of the Pine Creek Lavender Farm and have personally witnessed the huge results of their determination and physical efforts in achieving a non-corporate hometown presence in the restoration of the Farm. This is the kind of development we all want in Pine Strawberry and the rim country.

I want the county attorney to end these delay tactics or step aside from this project and allow Elk Rim to move forward.

If there is ever efforts needed in delay let the county attorney and the wonderful gila county officials save that for the next Dollar General, Taco bell, Circle K or any other corporate conglomerate who wants to view our quiet hamlet as their next big profit portfolio. You know they will come, but expect a fight as our community has shown by example.

Best Regards

Roland Maier

c/o

Pine Strawberry Fuel Reduction

Fire On The Rim Mountain Bike Race

Take Pride Association

Sustainable Rim Country

Rim Country Mountain Bike Association

Berumen, Therese C

From: Gould, Robert
Sent: Thursday, January 11, 2018 7:21 AM
To: Berumen, Therese C
Subject: FW: Elk Rim Project

-----Original Message-----

From: shari ahrendt [mailto:azshari@me.com]
Sent: Tuesday, January 09, 2018 4:27 PM
To: Gould, Robert
Subject: Elk Rim Project

>
> In regards to the Elk Rim development project in Pine, AZ:
>
> I support our community development plan and the find the Elk Rim
> Project is consistent with that plan. It should be approved ASAP.
>
> Thank you for immediate attention to this matter. A confirmation
of receipt would be appreciated..
>
> Bill and Shari Ahrendt
>
>
>

Berumen, Therese C

From: Gould, Robert
Sent: Thursday, January 11, 2018 7:19 AM
To: Berumen, Therese C
Subject: FW: Elk Rim Project

From: JANET JOHN [mailto:JJJOHN5@COX.NET]
Sent: Tuesday, January 09, 2018 8:57 PM
To: Gould, Robert
Subject: Elk Rim Project

Dear Mr Gould and Board of Supervisors,

I and my husband are in support of the Elk Rim project in Pine. This project is well-planned with only 18 homes.

This design would be a so much better than the former plan of 50 apartments.

We hope your approval will move this project ahead.

Thank you,

Janet and Dave Radobenko

jjohn5@cox.net

Berumen, Therese C

From: AJ Gorton <ajgorton@neighborhoodpower.com>
Sent: Friday, January 05, 2018 3:08 PM
To: Gould, Robert
Subject: Support of Elk Rim Project

Mr. Gould and board of supervisors,

I am e-mailing you today to voice my support for the Elk Rim development project. From what I have seen, the developers and folks associated with the project have been the model of how things should happen gaining support in the community, HOA support, planning agency support etc etc. While of course there are going to be a few people out there who may not like this project, or any new project for that matter, the positivity and overall support has been overwhelming.

As you know, they are now 8 months into the process of gaining approvals, and have seemingly on multiple occasions completed doing so only to be spurned by the county attorney. Most recently, he has mandated that they return to Planning and Zoning which is something that has never been done before to our knowledge, and seems completely counterproductive. It is hard for me to say what the motivations might be for the county attorney's continued problem with this development, but it is getting out of hand. It is not fair to the developers, nor to anyone involved. There comes a point where enough is enough, and I am asking and hoping that with your help, that times is now.

Respectfully,

AJ Gorton
Director of Business Development, Neighborhood Power Corporation
Cell: (925) 768-4752 (PST)
Office: (808) 215-9040 ext: 720
[www. Neighborhoodpower.com](http://www.Neighborhoodpower.com)

Berumen, Therese C

From: Bill Simmons <bill.simmons@aseus.com>
Sent: Friday, January 05, 2018 8:10 PM
To: Gould, Robert
Subject: Elk Rim project approval

Mr. Gould,

I have been aware of the Elk Rim project in Pine Arizona. It is fully supported by our community and is consistent with the recent survey by Pine residents supporting single family communities.

Gila county is the highest tax county in Arizona. I think additional communities would help our tax base situation.

Please reply to me with the status of this approval. I am surprised that it has taken this long to finalize.

This project to good for Pine, its residents, and the health of our community.

Pine is a small community and we need you to help us remain a solid viable community.

Best Regards,
Bill Simmons
Pine resident
Cell (602)380.9675
Email: bill.simmons@aseus.com

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Berumen, Therese C

From: Coni Stover <cjstover@q.com>
Sent: Saturday, January 06, 2018 2:35 AM
To: Gould, Robert
Cc: Gorton Terry
Subject: Elk Rim Project in Pine AZ

I'm very interested in the new project of Elk Rim in Pine AZ. I am a resident that lives adjacent to this property and I'm curious of the delay of this Project. I fully support & look forward to this project being done. I have been a Pine owner since 2000 and would love to have a project such as this to happen. This last two years you have seen more activity & interest in this second home community. It appears it would only help the community and Gila County as far as taxes & improving the whole community with more jobs and a much more Welcoming to the North Country. I have been a second home owner from 2000 to 2005 and a full time resident for the last 5 years. Pine needs these types of homes to support the expanding Valley for time away from the heat. I would appreciate knowing what the status is of the Elk Rim Development as only see positive come out of it.

Thank You
Coni J Stover
PO Box 30
Pine, AZ 85544
623-878-0400

Sent from my iPad

Berumen, Therese C

From: Darwin Huber <knobhill1296@gmail.com>
Sent: Saturday, January 06, 2018 10:43 AM
To: Gould, Robert
Subject: Elk Rim Development

Hi Bob:

Happy New Year. I hope you had an enjoyable holiday season.

I'm writing you concerning the proposed Elk Rim housing development in Pine.

As spokesperson for the Pine-Strawberry Future Visioning Committee I want to convey, based on the vast public opinion we received, this type of development compliments the intent of the Revised Pine-Strawberry Area Plan with respect to future growth within our community.

This position is further enhanced by the fact that the original development plan for this parcel of property was a less desirable tract of 50 townhomes, which now has been scaled back to 18 residential lots, where high quality custom homes will be constructed.

From an economical perspective, the Elk Rim development will create local jobs, increased revenue to local businesses, and increased sales and property tax revenue to Gila County.

Based on public input, the Pine-Strawberry Visioning Committee encourages the Gila County Board of Supervisors to approve the Elk Rim development.

Sincerely

Darwin Huber

6 Jan 18

Berumen, Therese C

From: Luke HowardVesci <luker1212@gmail.com>
Sent: Sunday, January 07, 2018 10:30 PM
To: Gould, Robert
Subject: Elk Rim Progress

Dear Mr. Gould, Mr. Menlowe and Supervisor Martin,

Thank you for your excellent work for our County. This is not any criticism but to make sure our voice is heard that time is of the essence for your support of Elk Rim development.

Today, I am writing to support not only the Elk Rim project but to support its immediate appearance before the Board of Supervisors for approval. We are all hearing about some hold up and it is time the citizens ask our local government what in the world is going on.

I am a Portal IV property owner and my parcel will be one of the MOST impacted by the development, located in tract B, parcel B-4. I am planning to build my home in the near future.

Like the Portal IV HOA Board, I support the project and want to ask why a few members can write a couple letters of concern and continually delay this project until we lose it---yet the many of us who have attended the project meetings, spoken in support at P&Z or voted for formal support for our HOA are apparently being ignored.

Isn't government supposed to be responsive to the will of the majority of the people? I am sure there is some reason---perhaps it is because we have not been more vocal but, it appears like you are being responsive just to the few---very few---complainers. What is the rationale here?

I actually have property on the existing 2 way road, unlike the complainers. It functions just fine---everyday there are cars, large materials trucks, service trucks and non-homeowners-hikers that park and go up to the ruins and use the road to exit Portal IV compatibly with other traffic. There used to be an active sales office on that corner with 2 way traffic while large construction was also going on in Portal IV in its early days. I respect the study but, look around at roads throughout Pine and Strawberry and ask whether the County should start taking control over private road matters. If you do it here, then you should do it everywhere.

This project will die if you do not take some leadership and support what is being asked for by the majority of the people you represent. And that leadership needs to happen now.

I am asking that you help get this project back on the schedule in January. It has been delayed far too long. And I am hearing there are many others like me who want to see that happen.

If you cannot schedule Elk Rim for an appearance before this Board, will you explain to all of us who will lose this great addition to our community what was so compelling in your government interests that outweigh our community interests?

What about our property values--- especially to us in Portal IV---when we have some far inferior alternative in the future. This is an experienced, well financed developer who is doing a beautiful planned community---not some hodge-podge group of low priced and mismatched homes. This may be one of the nicest planned communities we will have.

In my experience, developable land will eventually be developed. This is the neighbor we want. What the community wants. Why doesn't it appear to be what you want too?

Sincerely,

Luke Howard-Vesci
Portal 4 Property Owner

Berumen, Therese C

From: Dick Zimmerman <zim.az@cox.net>
Sent: Saturday, January 06, 2018 6:59 PM
To: Gould, Robert
Subject: Support for the Elk rim development plan in Pine Arizona

Dear Mr. Robert Gould and Gila County Board of Supervisors,

I am writing to you to let you know that we are supportive of the Elk Rim Development Plan in Pine Arizona. We have been homeowners in Pine since 1996 and have enjoyed and appreciate the community of Pine. We participated in the recent survey of Pine/Strawberry and have seen the results of the survey that support growth in the community. We struggled along with others during the "lack of enough water" issues that now seem to be resolved with better management. We believe the water issues held the community back in development. We all strive for a safe, friendly community but know that new energy can make the community stronger and more vibrant. Please move forward quickly to approve this initiative. Thank you,

Joanne & Dick Zimmerman

December 13, 2017

Gila County Zoning
608 East Highway 260
Payson, AZ 85541

Dear Mr. Scott Buzan and Gila County Planning Zoning Board:

It has come to my attention as an owner of a home in Portal IV for more than 10 years, that our HOA board is acting in a less than transparent way with regard to the development of Elk Run. Although I am not in favor of this development, if done properly, and with the commitment of Elk Run developers for points made below, I would not be opposed to it.

First, as a homeowner, I am unaware of any information our HOA board has disseminated regarding how the developers of Elk Run would shoulder the entire cost of ingress and egress to their proposed subdivision. Other than a presentation at an HOA meeting months ago where I was in attendance (and where the principal of Elk Run said that all expenses of shared roads would be fair) I have not heard any other details.

Because this development, and its eventual homeowners, would share a common entrance and exit to Portal IV, this is a major financial/safety concern not only during construction, but most certainly thereafter. Imagine the wear and tear on our roads during the construction phase. And then the cost to maintain the portion of common roads that they would share with Portal IV afterward. Since Portal IV is responsible for the overall maintenance of our roads, it seems inequitable at this juncture for P-IV to take on such a huge commitment without appropriate contracts and/or leases in place between Portal IV and Elk Run. To my knowledge, we have not entered into such conditional negotiations. Good faith on the part of Elk Run is insufficient to say the least.

These negotiations and decisions are not for our HOA board to make in a vacuum. A collective decision on the part of all Portal IV homeowners is paramount. Complete transparency during negotiations is also necessary. The individuals who currently sit on the Portal IV HOA board are elected volunteers and hardly experts in these matters. On the other hand, one of the principal developers of Elk Run is an attorney and close friend to a few of our board members which, in my opinion, is a conflict of interest of the highest magnitude.

I appeal to your collective experience in zoning matters and demand that Elk Run enter into negotiations with Portal IV immediately and to please table any issued permits to Elk Run at this time. Portal IV must be assured of payment for required improvements, maintenance of a shared-roads agreement, and an agreement that the improvements will be completed prior to construction to prevent a safety lapse for roads and infrastructure to be utilized by Elk Run.

I also understand that there was a traffic study completed (and paid for by Portal IV) to evaluate the impact this development would have on Portal IV. This study from the United Civil Group recommends many expensive modifications to the roads and infrastructure to accommodate the new traffic from 18 residential lots that were not proposed or never considered in the design of the road system, nor were they factored into the previous 1994 Traffic Study.

Adjacent Portal IV Lots B1 and B2 were originally zoned "commercial lots" and have recently been rezoned as "residential," which allows Elk Run to develop its 18 residential homes. Good faith from Elk Run that they will "do the right thing" with regard to Portal IV is imprudent but it's clear that our current HOA board is working off that assumption.

Portal IV Homeowners association owns land adjoining the roads, as well as gates, signage, and is responsible for snow removal, landscaping, hardscape, lighting and cattle guard on both sides of the road at the entrance to Highway 87/260. This is no small expense to the 178 lot/homeowners within Portal IV. I urge Gila County Planning and Zoning to table any unconditional permits to Elk Run at this time until ALL negotiations have been handled in a transparent manner. Negotiations would need to result in signed and binding contracts that spell out in detail what the current and future expenses, as well as wear and tear and shared maintenance will be for all involved.

Elk Run is in this to make a profit. Please don't allow them to profit from what we have created and maintained all these years. It is my hope that the County can come to a workable resolution to these important financial and safety issues.

Sincerely,
J. Pak and Robert Verheyen
Residents of Portal IV & Gila County
PO Box 2033
Pine, AZ 85544
(Permanent Mailing Address 16230 N. 22nd Street, Phoenix, AZ 85022)

Sent via email attachment to Scott Buzan; hard copy to follow

December 18, 2017

Gila County Planning and Zoning
608 East Highway 260
Payson, AZ 85541



Dear Mr. Scott Buzan and Gila County Planning and Zoning Board:

I recently learned that the Board may be approving the Elk Rim development in Pine AZ. There has been considerable discussion amongst the lot and home owners of properties in Portal IV community in Pine, AZ regarding the safety of such a development and the potential financial burden of utilizing the Portal IV Homeowners roads and related infrastructure by future Elk Rim lot owners. However, this letter is only focused upon traffic flow and safety. Questions for the Board are:

Did a Gila County traffic and engineering representative visit the site of the potential Elk Rim development in Pine to evaluate its potential traffic and safety?

Did Gila County traffic and engineering consider that the roadway that leads from the main entry road to Portal IV (Anasazi Way) to the edge of Lots B1 and B2 is merely a narrow driveway and was not designed for 18 lots within the two lots of B1 and B2?

Was the original plan for the "B" lots a separate entrance to Highway 87? If so, why was this changed and was such a change in the best interest of the residents and the public?

Did Gila County traffic and engineering, as well as the Board, consider that the County approved Traffic Study for the B1 and B2 lots is a very dated study from 1994 for two lots and not 18 homes.

Did Gila County traffic and engineering, as well as the Board, receive, review, and evaluate the 17-page Traffic Impact Study from United Civil Group that was commissioned by the Portal IV Homeowners Association? This report is in the possession of the Portal IV HOA and to my knowledge the developers of Elk Rim.

Do the proposed plans for Elk Rim meet at least the minimum Gila County standards for road usage and traffic safety?

Sincerely,
John and Barbara Howe
6484 West Ruin Hill Loop
PO Box 1188
Pine, AZ 85544

-----Original Message-----

From: brian hefley [mailto:brianhefley@yahoo.com]

Sent: Friday, December 08, 2017 3:01 PM

To: Sheppard, Marian <msheppa@gilacountyaz.gov>

Subject: RE: Elk Rim proposed subdivision & road improvement agreement with Portal IV HOA

RE: Elk Rim proposed subdivision & road improvement agreement with Portal IV HOA

Dear Gila County Clerk of the Board & County Board of Supervisors:

First and foremost, We do not object to the concept of the Elk Rim development adjoining the Portal IV development and use of its roads and/ or infrastructure. However:

1. The developers of Elk Rim do not have an agreement with Portal IV HOA to pay for the required improvements, required maintenance, and a timeline for said improvements to be accomplished prior to construction that will ultimately support the Elk Rim development. Not only do we not have an agreement, it is my understanding that Elk Rim and Portal IV HOA have not started negotiations.
 2. We, owners of 2 parcels located with Portal IV HOA, request that Gila County not give unconditional approval for the Elk Rim development until there is an agreement between Elk Rim developers and the Portal IV HOA. This agreement should include, (Payment for required improvements, maintenance of shared roads agreement, and an agreement that the improvements will be completed prior to construction to prevent a safety lapse), for roads and infrastructure to be utilized by Elk Rim.
 3. It is imperative that the BOS understand our current road design, based on the United Civil Group traffic study, can not sustain this form of increased two-way traffic caused by not only the new development, but the construction traffic itself. In fact the caliber of vehicle being used during construction will reduce the safety margin factored in to our previous 1994 traffic study.
- * Portal IV HOA has a Traffic Impact Study from United Civil Group that recommends many expensive modifications to the roads and infrastructure to accommodate the new traffic from 18 residential lots that were not proposed or considered in the design of the road system, or factored into the previous 1994 Traffic Study.
 - * Lots B1 and B2 were zoned "commercial lots" and have recently been rezoned as "residential"
 - * Portal IV Homeowners association that represents 178 residential lots, has title to the roads leading into and exiting from Highway 87/260 and those leading up to but not on land proposed for Elk Rim, and provides all maintenance for said roads along with snow removal.
 - * Portal IV Homeowners association also owns land adjoining the roads, as well as gates, signage, snow removal, landscaping, hardscape, lighting and cattle guard on both sides of the road at the entrance to Highway 87/260 and its maintenance.

We thank you for your service to our County and hope we can come to a workable resolution to this safety sensitive obstacle.

Sincerely,

Brian & Kristin Hefley
Residents of Portal IV & Gila County
PO Box 1198
Pine, AZ 85544

